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'60s Look Good To Institute Of Life Insurance Speakers

Inflationary Pressures Still Regarded As Main Hazard Of Next Decade

NEW YORK—A vista of continued expansion and prosperity, marred only by the threat of future inflation, was envisioned for the the 1960s by speakers at the annual meeting of Institute of Life Insurance.

A panel of four life company presidents endeavored to look rather specifically at what the next decade may have in store for life insurance business.

Walter O. Menge, Lincoln National, expressed a belief in "grounds for moderate optimism" regarding inflation but said that "by all odds the largest and most critical problem facing life insurance over the next 10 years is inflation."

Cites Basis For Optimism

As a basis for optimism, he cited the increasing public awareness of the hazard, the determined efforts to slow

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Commissioners Make Slow, Steady Progress At Semi-Annual Meeting In Miami Beach

A good number of those on hand last week for the semi-annual meeting of National Assn. of Insurance Commissioners in Miami Beach complained that the gathering was "dull."

In the sense that the committee meetings and general sessions offered little beyond the routine and that issues of the type that generate heated debate were lacking, the meeting was certainly of the most ordinary variety. But NAIC is just recovering its breath from a contact with the Congress. The commissioners have been put on the spot while a Senate subcommittee held hearings on the performance of state regulation under the McCarran act, and it is far from surprising that there is little desire within the states to create or prolong anything of a nature that could rock the boat while O'Mahoney subcommittee on anti-trust and monopoly is still looking in the direction of insurance. For example, a somewhat extended discourse at the subcommittee session on schedule rating plans and rate modification plans

caused some eyebrow lifting on the industry side. It was felt that now was not the time to disturb any of the bones.

NAIC has had many meetings in the past which have been less productive than this one. At Miami Beach the commissioners agreed on a formula for judging credit life and credit A&S rates and benefits, a definition of non-cancellable A&S insurance was adopted, several significant progress reports were submitted, and two or three of the subcommittees, having completed their work, had themselves discharged. This constitutes action of a less spectacular sort, but interspersed with this was a secret report on the amazing situation in connection with Michigan Surety and the news that Consolidated Warranty System is going out of business and there will be a hiatus in the used car sales-finance-warranty-mechanical breakdown insurance area.

The agenda of the meeting was discussed.

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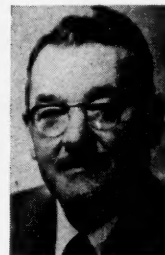
Ordinary Sales For Year To Hit Record \$50½ Billion, Up 6%

LIA Told Corresponding In-Force Figure Will Be \$313 Billion, 9% Rise

NEW YORK—Sales of ordinary by legal reserve life companies will reach



Clarence J. Myers



Deane C. Davis

a record \$50.5 billion by the year end, an increase of 6%, bringing ordinary in force to \$313.5 billion, up 9%, Clarence J. Myers, president of Life Insurance Assn. of America and of New York Life, disclosed at the annual meeting here of LIA.

Total sales of life insurance for 1959 are estimated at \$68.5 billion, as

OFFICERS ELECTED

President—Deane C. Davis, president National Life of Vermont.

Directors—E. C. Gill, president Canada Life; Clarence J. Myers, chairman and president New York Life and immediate past president of LIA; Robert E. Murphy, president California Western States Life; James F. Oates Jr., president Equitable Society, and James H. Windsor, president Equitable of Iowa.

against \$66,831,000,000. Of the 1959 total, group is estimated at \$11 billion as against \$12,201,000,000, and industrial at \$7 billion, as against \$6,982,000,000.

Total in-force is estimated at \$534 billion, as against \$493,561,000,000. Group accounts for \$155 billion of this, compared with \$144,607,000,000 at the end of 1958, industrial \$40 billion as against \$39,646,000,000, and credit—which is not included in the sales figures—accounts for \$25.5 billion as against \$21,474,000,000.

All the figures cover business in the United States of U. S. and Canadian companies. The sales figures exclude revivals, increases, dividend additions and reinsurance assumed. The in-force figures are net after deduction for reinsurance ceded.

New business figures include a full year of 1959 business for Alaska but only four months for Hawaii. The 1958 figures do not include any figures for Alaska or Hawaii. Alaska had \$305 million in force at the end of 1958, Hawaii \$2.1 billion.

Benefit payments will reach a total

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N. Y. LEGISLATURE

Hearing Next Month On Life Insurers Writing Multi-Line

NEW YORK—The New York legislature's joint committee on insurance rates and regulation is definitely planning to hold a hearing some time in January on legislative proposals to permit life companies to operate on a multiple-line basis.

This could take the form of letting life companies acquire fire and casualty insurers, which no life company domiciled or licensed in New York may currently do, or it could be done by broadening the writing powers of life companies to cover other lines of insurance.

Fixing of a definite date for the hearing awaits only the determination of a time that will be convenient for the witnesses who will want to be heard. The entire hearing will be devoted to the one subject.

California Life has been licensed in Louisiana.

Spencer R. Keare, president Federal Life of Chicago (left), with Chairman R. J. Wetterlund and President P. W. Watt of Washington National at the open house marking the latter company's opening of its \$4 million home office addition.



NALC Asks Changes In Income Tax To Aid Newer Insurers

The board of directors of National Assn. of Life Companies at a meeting at Miami Beach criticized strongly the exemption of pension funds from taxation and spoke out against the tax on tax-exempt securities and intercorporate dividends.

The board also urged that Congress adopt three specific amendments to the life insurance income tax law to help the younger and smaller companies. One of these would give life companies the same treatment on capital gains as banks are given. The second would permit life companies with investment income not exceeding \$1½ million or insurance in force not exceeding \$500 million to elect in any year to pay taxes under the general corporate act. The third would provide the same 2% deduction to individual A&S insurance as is given under the law to group contracts.

These and other resolutions were adopted on recommendation of committees studying various problems affecting the industry.

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Washington Natl. Opens \$4 Million HO Addition

Washington National welcomed a steady stream of visitors Dec. 4 when it opened to the public the doors of its new \$4 million dollar addition. Members of the press and radio joined with insurance people, civic leaders and citizens of Evanston, Chicago and the surrounding North Shore communities in admiring the ultra-modern features of the new addition.

Some of these that attracted special attention are the high speed elevators, the fiberglass curtains on the windows, a beautiful modern cafeteria, the modern decor throughout the building, and a gallery of oil paintings hanging in the executive corridor depicting events in the early life of George Washington.

Guests were greeted in the new lobby by company employees, then toured the building. Refreshments were served in the new cafeteria. Displays of main departments' functions together with floral arrangements were set up throughout the building. Coming from all parts of the country after being chosen to represent the company's field force were 17 agents, general agents, managers, and group field representatives who with their wives were entertained as guests of the company. The corner section of the home office building completed in 1951 is now being remodeled to match the decor in the new addition.

Brochure Will Tell What MDRT Is, What Its Purposes Are

A new descriptive brochure about the Million Dollar Round Table is being published this month for use by Round Table members as well as the entire life insurance industry to better acquaint the general public with the Round Table.

MDRT Chairman Robert S. Albritton, Provident Mutual, Los Angeles, said it is designed to explain in a simple, readable style exactly what the Million Dollar Round Table is, how it began, what its purposes are and what membership in the Round Table really means. The brochure will be published in two versions. One will be available to MDRT members to send to their clients and friends either separately or in conjunction with their official MDRT announcement cards.

A slightly longer, more detailed version will be available later for use within the life insurance industry. This longer version will be sent to life companies and local life underwriters associations for the information of potential Round Table members. State insurance commissioners, life insurance organizations, educators and affiliated professional groups will also receive copies to familiarize them with the Round Table and its operation.

Since the need for such explanatory literature has been expressed by MDRT members for several years, Mr. Albritton said, the brochure was developed by the MDRT public relations committee through the cooperation of such organizations as Life Insurance Advertisers Assn. and Institute of Life Insurance.

Round Table members may order the brochure through the MDRT headquarters, 36 South Wabash Avenue, Chicago, at \$3 for a minimum order of 100, or \$2 a hundred for orders of 200 or more.

Springfield Life Wins Approval From Vermont For Nine New Policies

Commissioner Miller of Vermont has approved Springfield Life's initial portfolio of nine major life insurance plans. Springfield Life, which is the wholly owned subsidiary of the Springfield-Monarch companies, will offer in Vermont 40, 30 and 20-payment life policies; life paid up at ages 35, 75, 65 and 60, and 5 and 10-year term policies.

The new policies contain some features which ordinarily do not appear in non-participating policies, among which is a provision that premiums paid beyond the end of the month in which death occurs will be added to the policy proceeds otherwise payable. The policies also provide for waiver of premiums coming due during a period of total disability commencing before age 60 and lasting four months or longer.

Inaugurate Training Program

West Coast Life has inaugurated a comprehensive training program which will include pre-contact, basic, career and advanced training. The objective is to aid the agency manager in selection; to get the new agent into early production, and to encourage growth and progress.

Thore LIA Report Reviews Very Active Federal Legislative Year

NEW YORK—The year 1959 has been more active with respect to federal matters as they affect the life insurance business than any year since the Washington office of Life Insurance Assn. was established, Eugene M. Thore, LIA vice-president and general counsel, said in his report at the association's annual meeting here.

Mr. Thore said that the life insurance business' preoccupation with the life insurance company tax problem may have obscured federal activity in many other areas, but his report pointed out that there were many other significant developments in Washington.

Outlook For Forand Bill

In a discussion of health insurance measures similar to the Forand bill, Mr. Thore reviewed the history of this type of legislation and said, "The short-range outlook for defeating this legislation is hopeful. The long-range outlook for some further government participation in medical care for the aged is not nearly so clear. One possibility for resolving the pressures pro and con would be the emergence of a political compromise whereby hospi-

tal care alone would be provided. Such a bill has already been introduced.

"The present focus of activity is in the House ways and means committee. If the committee were to approve the Forand bill, it would probably pass the House under a closed or limited rule. Conversely, if voted down in committee it would be virtually impossible under existing House procedures to attach the proposal to any other social security legislation which might be reported for consideration.

Senate Situation Different

"The situation is not the same in the Senate inasmuch as there is unlimited debate on all issues and despite unfavorable committee action, the proposal could be added to some

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Vernor Is Promoted To ALC Counsel

Richard E. Vernor, staff attorney for ALC since 1954, has been promoted to counsel.



R. E. Vernor

Mr. Vernor's work during the past five years has embraced a wide range of Washington interests for the life business. Principal among the numerous areas of government with which his work has dealt are housing and mortgage legislation and regulation, social security legislation and relations with the Department of Defense in the placement of life insurance on members of the armed forces.

A former adjudicator for the VA and assistant law revision counsel to the judiciary committee of the House of Representatives, Mr. Vernor graduated from University of Oklahoma and the law school of George Washington University.

His enlarged responsibilities as ALC counsel will include relationships with Congress, liaison with administrative departments and agencies of government, statutory interpretation and legislative procedures.

Southwestern Life of Dallas, which achieved \$1 billion in force in Texas before becoming licensed in any other state, has now been licensed in Kansas and is operating in 10 states.



service. Home Life will celebrate its 100th anniversary on May 1. Flag raising was part of ceremony during which five concrete planters set up on the fronting the home office were unveiled.

Occidental Of Cal. Elevates Stannard, Clark, Nine Others

William B. Stannard has been elected senior vice-president and Earl Clark vice-president of Occidental Life of California.



William B. Stannard



Earl Clark

Clark vice-president of Occidental Life of California.

Mr. Stannard has been a company officer since 1949 when he was elected to a vice-presidency. He was named vice-president of agencies in 1952.

Mr. Clark has been 2nd vice-president of the agency department since January. He formerly managed the Pasadena office. He joined Occidental in 1940 in the advertising department, was named home office supervisor in the agency department for southern California in 1946 and opened the Pasadena branch in 1949.

New assistant vice-presidents are Donald F. Merris, John Pullman and Stewart Hall. Mr. Merris joined the company in 1950 and has served as an investment analyst. Mr. Pullman, superintendent of underwriting, joined Occidental in 1936. He was elected assistant secretary in 1956. Mr. Hall became assistant director of field training in 1951 and was named assistant superintendent of agencies in charge of administration in 1954. He was appointed assistant secretary in 1957.

Named Assistant Treasurer

Allan O. Fors has been appointed assistant treasurer. He joined Occidental in 1943 and was named assistant auditor in 1944.

Glen O. Gregg, Harold V. Kentner, Fred W. Roberts and Jack D. Hughes have been appointed assistant secretaries. Mr. Gregg is manager of the life underwriting department, and Mr. Kentner is manager of A&S underwriting. Mr. Roberts is director of merchandising in group sales and service, and Mr. Hughes is a loan officer in the mortgage loan department.

New assistant medical director is Dr. R. H. Williams.

Examining Home Life's centennial flag from left, William B. Stannard, president; Joseph G. DeVine, policy record department, and Finlay Allen, executive vice-president, during furling ceremony outside the home office. Mr. DeVine is the company's senior home office employee with 43 years of service.

A story of growth...



Now! Two Billion Dollars LIFE INSURANCE IN FORCE

IN SIX YEARS, FROM 1953 TO 1959, UNITED OF OMAHA'S INSURANCE IN FORCE HAS DOUBLED

United of Omaha was the youngest life insurance company to reach one billion dollars life insurance in force in 1953. Now, United's insurance in force has *doubled*, placing United among the top life insurance companies in America.

This demonstrates dramatically the vigor and enthusiasm of this fast growing or-

ganization and the demand for United of Omaha's all purpose protection.

United has pioneered the 20-20 Cash Refund Plan and the Children's Plan, as well as numerous other competitive plans that have provided its agents with a completely modern, comprehensive array of plans adapted to every need of today's families.

United
OF OMAHA



UNITED BENEFIT LIFE INSURANCE COMPANY
N. Murray Longworth, President
Home Office: Omaha, Nebraska



BE FAR-SIGHTED... *join UNITED*

Find out now about United's lifetime career contract. With United of Omaha, you will profit by a unique continuing training program...a program geared to keep you learning more and earning more.

O'Leary Sees Good Times Ahead, With Interest Rates Up

NEW YORK—Assets of all United States life companies rose by \$6 billion this year to an estimated year-end total of \$113.6 billion, James J. O'Leary, director of economic research of Life Insurance Assn. of America, reported at the LIA annual meeting here.

The assets divide up this way: corporate bonds, \$45,340 million or 39.8% of the total of life company assets, with industrial and miscellaneous bonds totaling some \$25 billion, representing 56% of all corporate bonds; mortgages, \$39 billion, or 34.5% of assets, with residential mortgages



James J. O'Leary

accounting for about 70% of all mortgages; government bonds, \$11½ billion or 10.2% of all assets, with U.S. governments representing more than 60% of the total government bond investments; stocks, 4½ billion or 3.9% of all assets. Of the estimated \$341 million increase in stock holdings in 1959, about \$100 million was attributed to the increase in common stocks' market values.

All other assets amounted to \$13.1 billion or 11.6% of all assets, mainly composed of real estate, policy loans and premium notes.

Mr. O'Leary estimated the net investment earnings of the companies in 1959 at \$4.2 billion, up \$335 million, and representing an approximate net rate of investment earnings of 3.95% before federal income taxes for 1959 as against 3.85 in 1958.

Mr. O'Leary expressed optimism at the 1960 outlook and for the next decade as a whole. He looks for a gross national product of close to \$525 billion in the latter part of 1960 as against \$480 billion estimated for this year.

Economic prospects plus the strength and persistence of inflationary pres-

sures will result in a continued high demand for credit and investment funds, and will thus maintain the strength of interest rates. Mr. O'Leary stated. He looks for an extension of the upward trend of interest rates into the '60s but "because of the comparatively high level of rates which we have reached, any further uptrend will probably be at a slower rate."

Mr. O'Leary said that "under the expansionist forces likely in the next decade, it is hard to escape the belief that we shall continue to be concerned in most years with the threat of inflation. The Federal Reserve authorities will continue to be the main reliance in the effort to provide stability in the value of the dollar, and this will mean placing restraints on the expansion of credit."

In view of the great demands for capital funds that lie ahead, Mr. O'Leary said artificial ceilings in the money and capital markets should be removed and market forces should be permitted to do the job expected of them in a market economy. He particularly deplored the failure of Congress to remove the interest limitation on the issuance of long-term government bonds as posing a serious threat to the value of the dollar.

Industry Praised For Leading Fight Against Inflation

NEW YORK—The life insurance business' assertion of leadership in the fight against inflation during the 1950s has been a conspicuous factor in creating a public image of an industry that is dedicated above and beyond the limits of its normal obligations to service of the public good, Howard Holderness, chairman of Institute of Life Insurance, said in opening the institute's annual convention at the Waldorf Astoria Hotel.



Howard Holderness

Mr. Holderness, who is also president of Jefferson Standard Life, in reviewing the institute's role in the anti-inflation fight, pointed out, "The institute, through its economic bulletin, Money-Matters, has maintained the position of the business against inflation, in favor of sound monetary and fiscal policies of prudent government spending and a balanced budget."

Stressing Vital Roles

"It has stressed the vital role of thrift, the need for more savings for financial growth and the wide use of credit. It is a long range tool, but effective within the limits of editorial acceptance and in registering with government and other important centers of influence the continued adherence of our business to the anti-inflation cause."

He said that the way the inflation problem is eventually resolved "will have a large part in determining the shape of our affairs and the extent of progress in the new decade" to come, but that the problem that has plagued the nation in the 1950s will still have to be "carried forward as the calendar changes."

Mr. Holderness, indicating some of the progress being made in the anti-inflation battle, said, "I think we can all take pride in the job that has been done. The leadership we have exercised through the institute has been effective, particularly over the last year, in marshaling the support of others to the cause."

Clinic For General Agents Being Held By Nw Mutual

Twenty-three Northwestern Mutual Life general agents from 16 states are attending a general agency building clinic being held at the home office this week.

The one-week workshop, which every general agent attends during each of his first three years with the company, is designed to help develop the most favorable opportunities for sales staff, in light of current business trends.

Special emphasis is put on the selection and training of new agents. Recruiting, financing and supervising of new agents are among the other subjects being covered during the week. The sessions are being conducted under the leadership of agency department officers, but feature the actual successful experiences of the participating general agents.

Byron Saunders to Appeal Two Year Sentence

AUSTIN—J. Byron Saunders, former chairman of the old Texas board of insurance commissioners, lost his appeal for a new trial and was formally sentenced to two years in prison for perjury. He was released immediately on a \$2,500 recognizance bond pending his appeal to the court of criminal appeals.

Grew Out Of Cage Testimony

The conviction of Saunders, the first for perjury before a legislative body, grew out of testimony he gave in 1957 about his dealings with Ben Jack Cage and the ICT insurance empire.

John D. Cofer, attorney for Saunders, based his appeal for a new trial in part on the contention that the testimony given by Saunders was not perjurious since he was recalling much of the information from memory and also on the contention that perjury cannot be committed before a legislative committee in Texas.

Nw Mutual Sets Discount

Northwestern Mutual Life policyholders who pay one or more annual premiums in advance will now receive a discount equivalent to interest at 3½%.

With the new rate, policyholders can save in excess of one full annual premium, whether it is \$200 or \$2,000, through eight prepaid annual premiums. The company's former interest rate used in discounting advance premiums was 3%.

New Handbook For Illinois Published

A new Underwriters Handbook of Illinois has just been published by the National Underwriter Company. It provides complete and up-to-date information on the agencies, companies, field men, general agents, groups and other organizations affiliated with insurance throughout the state. Copies of the new Illinois handbook may be obtained from the National Underwriter Company at 420 East Fourth Street, Cincinnati 2, Ohio. Price \$12.50 each.

one of the
best
and one of the
busiest

Comparable year-to-date figures continue to show that Central Life's sales consistently run well ahead of the life insurance industry as a whole. There are several reasons why this is so—and Central Life agents agree that an important one is *true graduated premium* on all plans (except single premium). The quantity discount idea, first introduced in the United States by Central Life in 1955, is another example of the sales-minded leadership that's making "One of the Best" one of the busiest, too!

Central Life

ASSURANCE COMPANY, DES MOINES 6, IOWA
Progressive and competitive, yes . . . but not

at the expense of financial security

| | |
|--------------------|---------------|
| ASSETS | \$168 Million |
| SURPLUS | \$14 Million |
| INSURANCE IN FORCE | \$375 Million |

New England Names Barker Agency V-P; Succeeds Huppeler

Lambert M. Huppeler, agency vice-president of New England Life, is



John Barker Jr.

Lambert M. Huppeler

returning to head his former agency in New York and will be succeeded in his home office post by John Barker Jr., vice-president and general counsel.

Mr. Huppeler will operate the agency as a vice-president of the company until May 1, when he will become general agent and when the present general agent, George B. Byrnes, returns to personal production. Mr. Byrnes announced in November that he had asked to be relieved of managerial duties to devote his full time to the development of an agency unit for the sale and administration of insurance, estate plans, and pension and employee benefit plans.

Leading Agency

Mr. Huppeler joined New England Life in 1948 as general agent at New York. During his first year with the company his agency went from seventh place to first in sales volume and new premiums and led other New England Life agencies during the entire time he was general agent.

While a general agent, he was a director of New York City Life Underwriters Assn. and vice-president and director of New York City Life Managers Assn. He is a life member of Million Dollar Round Table, a director of LIAMA and a member of its finance, ethical practices and research advisory committees. He is also a member of Agency Officers Round Table and the public relations committee of American Society of CLU, as well as being an associate member of American Assn. of University Teachers of Insurance.

V-P Since 1950

Mr. Barker was with the Boston law firm of Choate, Hall & Stewart before joining New England Life in 1936. He was promoted to counsel in 1942, general counsel in 1948 and vice-president and general counsel in 1950.

He is chairman of the committee on coordination of activities of Life Insurance Assn., former president and member of the executive committee of

Assn. of Life Insurance Counsel and former co-chairman of National Conference of Lawyers & Life Insurance Companies.

He is also a member of the Massachusetts special commission on insurance laws and for many years was a member of the joint legislative committee of American Life Convention and LIA, and was elected chairman of that committee for 1956 and 1957.

Occidental Of Cal. Readies Float For Rose Bowl Parade

For the fifth consecutive year, Occidental Life of California will enter a float in the Tournament of Roses parade in Pasadena on New Year's Day.

Theme of the 1960 parade is "Tall Tales and True," and Occidental's entry is titled, "Swan Lake." The float is a giant swan with the head rising 17 feet in the air. The swan's wings sweep back toward a throne located at the rear of the 55 foot float. Seated on the throne, which is covered by a canopy, will be Miss Pamela Prather, 1959 Rose Parade queen. Two princesses from her court and a ballerina will also ride on the float.

More Than 300,000 Flowers

Construction of the float—which will be one of the largest in the parade—started in late October and the steel framework is nearly completed. The more than 300,000 flowers used in the decoration will be placed on the float starting 48 hours before parade time. Flowers used will include orchids, carnations, mums, and, of course, roses.

Mrs. Isabella Coleman—who is called "Mrs. Rose Parade" in Pasadena—is the designer and builder of Occidental's entry. She has been designing floats for more than 50 years and has won more awards in the tournament than any other person. Mrs. Coleman designed Occidental's four previous entries, two of which received the grand prize—top award for a commercial entry.

Float Has Safeguards

Certain safeguards are built into Occidental's float to prevent a breakdown during the parade. Steel wheels are welded to the outside of regular wheel rims and those wheels will carry the float in the event of a tire blowout. The driver's vision is obstructed so he will have two assistants to help him guide the huge float. One assistant will be located inside the lower part of the swan's neck and will communicate with the driver by a special telephone set-up.

Occidental is the only life company to ever enter the famed spectacle. In addition to 1½ million viewers along the parade route, an estimated 80 million persons will witness the 71st annual parade on television.

Security Life Stock Issue Nets \$280,000

A public offering of 40,000 common shares of Security Life of Minneapolis has been fully subscribed. At \$7 a share, the issue netted \$280,000, which will be used to expand operations. President Orem O. Robbins said the license will be extended so that the company can write any size life policy.

Western States Life of Fargo has passed the \$100 million mark in life insurance in force.

Kansas City Life Agents Produce Record Nov. Sales

Kansas City Life agents produced \$38,066,327 of new business in the Grant month sales campaign in honor of the company's founder, W. T. Grant. A record for November sales, the total was 46% ahead of the corresponding month last year.

The Portland, Ore., agency headed by Regional Manager H. G. Horn led in production, and Cliff E. Crandall, Portland, won the Grant month trophy for new sales.

COMMONWEALTH LIFE INSURANCE COMPANY



Season's greetings from Commonwealth—one of the Nation's billion-dollar companies.

HOME OFFICE:
Commonwealth Building
Louisville
The Tallest, Finest Office Building in Kentucky

LOANS

A General Agent or Agent can easily have from \$2,000 to \$100,000... in a lump sum...at low bank interest rates...on his vested renewals through our exclusive, dignified, confidential service...

- For additional working capital
- For business expansion
- To pay off indebtedness...protect your credit
- For personal needs...home purchase, home remodeling, etc.

For complete, confidential information on this exclusive service, please call or write...
RENEWAL GUARANTY CORPORATION

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Gentlemen: Please send me complete, confidential details on your exclusive service. I understand I am NOT obligated in any way.

☐ AGENT

☐ GENERAL AGENT

Name _____

Company _____

Address _____

City _____ Zone _____ State _____



Member: National Assn. of Life Underwriters

New recruit, Byron K. Elliott, president of John Hancock, second from right, is welcomed into the company's Quarter Century Club by William J. McDonough, retiring club president, who presents Mr. Elliott with a Paul Revere bowl, symbol of club membership. Left is John Galvin, 50 years with John Hancock, and right, Ruth Walkins, with 47 years of service. More than 700 members of the home office staff attended the annual club dinner at the Statler-Hilton Hotel in Boston.



Cal. Bar, Dental Assns. Study Group Plans For Members

SAN FRANCISCO—Two major professional associations have testified before a California legislative committee that they plan to offer to their members group pension plans if the Simpson-Keogh bill passes the 1960 session of Congress.

Goscoe Farley, representing State Bar Assn. of California and Anthony

Kennedy, representing California Dental Assn. told members of the assembly interim committee on finance and insurance that legislation regulating "franchise" or "wholesale" plans for professional associations should contain no provision which would limit the development of group retirement plans for attorneys and medical people.

Assembly committeemen also heard representatives of California Assn. of Life Underwriters describe the need for immediate legislation controlling franchise life insurance which has recently been widely used to provide

group life for members of professional associations. California statute prohibits group life for professional associations.

Easy To Circumvent Code

Executive Secretary Donald C. Burns of the agents' association told committee members that widespread use of franchise insurance has so successfully circumvented the insurance code as to make its group regulations meaningless. "Any provision of the code can be circumvented," he said, "simply

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Pacific Fidelity Organization Names Taylor, Boddiger

Elliott Taylor, vice-president and manager of Pacific Fidelity Life since



Elliott Taylor



George C. Boddiger

its organization in 1956, has been elected a director and senior vice-president of the parent Pacific Finance Corp. In this position, he will be responsible for coordinating the company's insurance operations.

Succeeding Mr. Taylor as executive vice-president and general manager of Pacific Fidelity Life is George C. Boddiger, formerly vice-president and general manager of Companion Life.

Joined Company In 1948

Mr. Taylor has been with Pacific Finance since 1948, when he joined the company as manager of public relations and advertising. He was elected vice-president in 1954 and became assistant to President Maxwell C. King and a member of the policy committee.

Mr. Boddiger had been with Mutual Benefit H.&A. since 1952. Prior to becoming vice-president of Companion Life in 1958, he was assistant treasurer of the parent Mutual of Omaha and assistant vice-president of United Benefit Life. He entered the business as an accountant with Acacia Mutual Life in 1939, and later served in executive capacities with Continental Assurance and Life Office Management Assn.

General Life Of Wisconsin Has \$14,409,000 Sales

General Life of Wisconsin had sales of \$14,409,000 for its first six months of business. All sales reported are individual policies, with about 1,100 Wisconsin residents as policyholders.

Albert Mohler, Wilmar, Minn., has been named Franklin Life's general agent of the month for November.

The Unity Mutual Life Insurance Company of New York

Insures

The Whole Family

Unity agents are equipped to serve every need for personal insurance. Juvenile policies our specialty.

E. R. DEMING
President

L. J. BAYLEY
Secretary

HOME OFFICE—SYRACUSE, N. Y.

The GUARDIAN and the Pony Express

ventured on
exciting careers
in 1860



St. Joseph, Missouri to Sacramento, California—a distance of 1,980 miles—in just 8 days! This dramatic feat of the Pony Express in 1860 captured the imagination of the people.

Each rider changed horses three times before handing his pouch over to the next courier. Letters cost \$5. The Pony Express braved violent weather and Indian attacks before passing on its glory to overland stages, snorting steam locomotives and the onrushing miracles of modern transportation.

The GUARDIAN Life Insurance Company, also founded in 1860, has lived through a century of wonders in which the incredible quickly became plausible, then accepted—and finally obsolete.

But the principle upon which The GUARDIAN was founded—*delivering life from the tyranny of chance*—has never become obsolete. Today The GUARDIAN is one of America's foremost life insurance companies, providing protection to hundreds of thousands of families.

Now, in our 100th year, The GUARDIAN is offering the most attractive policies in its history. These include guaranteed renewable plans providing a regular monthly income to help meet living expenses if an accident or serious illness strikes.

Have a talk with your GUARDIAN representative or your broker and find out how you can benefit from The GUARDIAN's century of experience in serving America.

The GUARDIAN Life Insurance Company OF AMERICA

50 UNION SQUARE, N. Y. 3, N. Y.



Our Centennial Year

[One of a series of ads in NEWSWEEK, TIME, SATURDAY EVENING POST, and the NEW YORK TIMES SUNDAY MAGAZINE, marking GUARDIAN'S Centennial in 1960.]

IF

You Want to Keep Sales

GROWING ... GROWING ... GROWING...

THE A. & S. SALES BULLETINS and MONTHLY QUIZZES

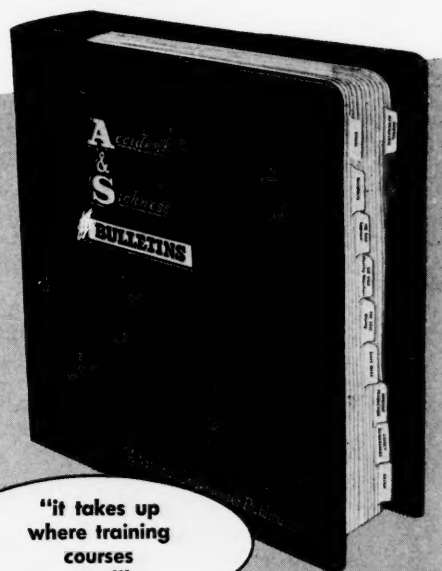
provide the only
CONTINUOUS,
easy-to-follow Program of
Advanced Self-Improvement
Available!

The Sales Service with its monthly quizzes provides a continuous program of advanced self-improvement in the practical aspects of accident and sickness insurance selling. It automatically places you in a most advantageous position sales-wise by keeping you abreast of the progressive developments in the business.

The plan is continuous from month to month. There are two sets of monthly quizzes — one about the current information, another about information already in the Service.

The quizzes don't require study. They direct you to the answers. They are interesting. They go to the heart of the matter. They make it easy for you to obtain the utmost from your Service and to acquire an ever-growing fund of knowledge.

So, in the Sales Service, you have: (1) a perpetual clearing house of ideas and information—a veritable encyclopedia that it would be impossible for you to accumulate any other way, (2) a continuous program of advanced self-improvement. Use it and you will begin to be repaid at once.



USE IT FOR 30 DAYS AT OUR EXPENSE!

The Accident & Sickness Bulletins

Gentlemen:

I understand that I can make full use of this Sales Service for thirty days without payment or obligation. At the end of that time, if I find I no longer want it, or if I am dissatisfied with it, I can return it to The National Underwriter Co., and I shall be under no further obligation. If I decide to keep it, I shall pay \$10* first quarter; only \$2 quarterly thereafter.

*Charged only in first quarter to cover Installation or Physical Cost for New Binders and Contents sent each New Subscriber. (All Prices F.O.B. Cincinnati, Ohio)

NAME _____

Please Print.

COMPANY _____

ADDRESS _____

CITY _____

ZONE _____ STATE _____

THE NATIONAL UNDERWRITER CO. • 420 East Fourth Street • Cincinnati 2, Ohio



HEW Heads Foresee Radical Changes In Social Security Law

WASHINGTON—Secretary of Health, Education & Welfare Flemming has told a meeting of the American Public Welfare Assn. that he believes Congress will eliminate the age-50 minimum limit for eligibility for disability benefits under the social

security law. He also said he has "never been able to understand why an arbitrary age limit was included in the disability program."

Still Seeking Program

Mr. Flemming, who was not speaking from a prepared text, indicated his department is still seeking to develop a program under which retired persons could more easily meet their medical and hospital expenses, but that he would prefer such a program to be worked out within the framework of existing voluntary health in-

surance, either commercial or non-profit.

A few weeks ago, Mr. Flemming is reported to have said that HEW is reviewing its position "on the basic principles embodied in such legislation as the Forand bill." His latest remark, however, would seem to indicate that the administration has not given up hope of being able to decide on a satisfactory alternative to the Forand measure, a commitment Mr. Flemming made to the House ways and means committee last summer.

At the same meeting, Robert M.

Ball, deputy director of HEW's OASD bureau, also speaking informally, said the department will try to obtain a broadening of the social security disability program. Also, he said, HEW is considering a plan to tie social security payments to the cost of living, a proposal to increase widow's benefits and one to allow OASI beneficiaries to earn more money in private employment without forfeiting any of their social security benefits.

Conn. General Inaugurates New Lecture Series: First Speaker John Mason Brown

Connecticut General has inaugurated a series of evening lectures by distinguished personalities in the fields of science, the social sciences and the humanities, with the first lecture by John Mason Brown, author and former drama critic of the New York Post and the New York World Telegram.

Mr. Brown's subject was "The Writer and the Reader in the Modern World," a discussion of modern attitudes toward life as revealed in contemporary plays, novels and other writings. Attendance at the lecture was by invitation to Connecticut General staff members and took place in the company auditorium.

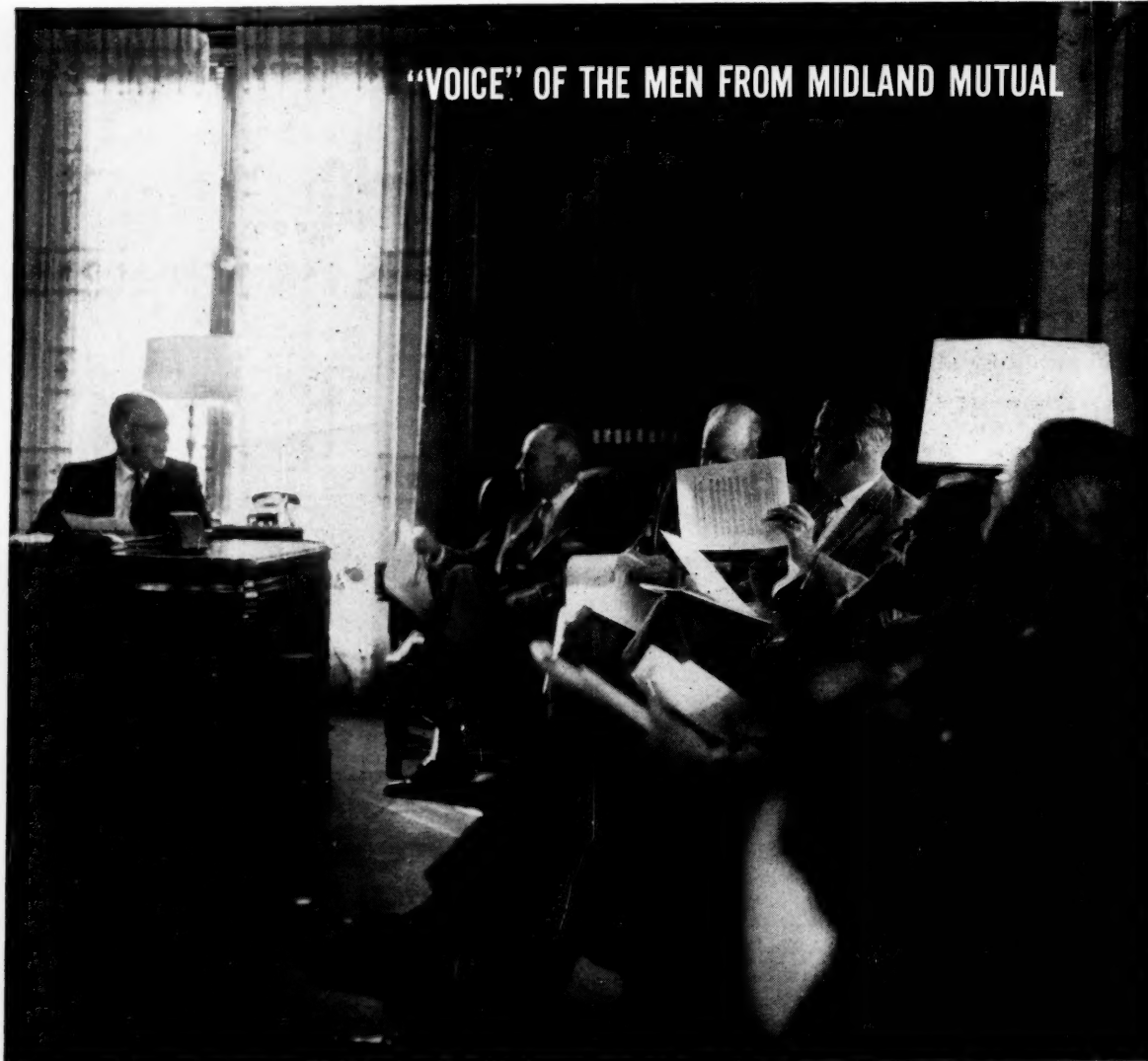
In announcing the lecture series, Frazar B. Wilde, president, said "The company is sponsoring this series because of our conviction that business leadership in the years ahead is going to require individuals who possess not only intelligence and business training but also understanding and knowledge of our society and culture."

The aim of the series, Mr. Wilde said, is to help the individual employee to understand himself, his community and his world.

Connecticut General plans to continue the series during 1960 and to invite other leaders in arts and science to lecture on a wide range of subjects.

Planning Session Slated By Los Angeles Managers

A planning session will be held Dec. 14 by Los Angeles Life Insurance Managers' Assn., and selection, recruiting training and immediate and long range planning will be studied. Speakers will be Walter G. Gastil, Connecticut General; John G. Edmundson, Union Central; Joseph B. Flammang, Pacific Mutual, and Russell L. Hoghe, Equitable of Iowa.



Field committee plays key role in top-level planning

To paraphrase an old saying—"Everyone talks about the field's point of view, but no one does anything about it."

At the Midland Mutual, something is done about it. Twice a year, company management meets with the Executive Committee of the General Agents Association for consultation on programs, problems and planning. These are "shirt-sleeve" sessions at which field thinking on major matters is thoroughly reviewed.

The Executive Committee provides an articulate "voice" for the entire agency force . . . a direct means of communication with Company officers. It's "business democracy" in action, working for the benefit of all.

If this philosophy of operation appeals to you, get in touch with Charles E. Sherer, C.L.U., Vice President, Director of Agencies. Midland Mutual offers many opportunities for qualified men under its exclusive FOUNDATION BUILDER program for new general agents.



Serving Personal Security Needs Since 1906

THE MIDLAND MUTUAL
LIFE INSURANCE COMPANY

256 East Broad St., Columbus 16, Ohio

Immediate agency openings in: Miami, Tampa, St. Petersburg, Jacksonville, Charlotte, N. C., Baltimore, Louisville, Chicago, Des Moines, Memphis, Knoxville. Opportunities also available in other areas.



James G. Ranni, president of American Bankers Life of Florida, left, congratulates Gene L. Ricci, general agent at Pittsburgh, who wrote the policy which put the company's insurance in force over the \$300-million mark.

Franz Hirt, president and secretary of the American Life, reinsurance, president of the certificate of merit from the service. I presented with, also showed associates on. He will remain a member of the firm as continue.

Get Whole Company Worked Up About Persistency, LIAMA Advised

"Get excited about controlling persistency; create a sense of urgency in this often unglamorous area of our responsibility," Sam G. Shackelford, associate agency director of Lamar Life, urged his audience at the lapse-problem symposium during the recent LIAMA annual meeting in Montreal.

"We can get off this Alice-in-Wonderland treadmill and improve our individual company persistency records if we are willing to accept the slow but consistent progress that comes from 'all out' effort in this direction, as well as fighting the daily battle to get the new business we all want and need," he declared.

Starts At Top

Here are some of the points Mr. Shackelford stressed:

Control of persistency starts at the top. Lamar's president insists on something being done about it. The agent's contract should reward the agent who has good persistency. Lamar pays an additional 10% renewal commission the second year and an additional 5% the third year on most plans if the agent has a 70% persistency rate on the national quality award basis and the policy is \$2,500 or more.

Lamar's agents can't qualify for conventions just on volume and be members of the All Star Club. They must have at least an 80% persistency rate on the NQA basis.

Agent Gets Monthly Report

Each agent receives a monthly report on the lapse status of his business. The manager uses this in regular

Irons Joins Dallas Firm

David B. Irons, former member of the Texas board, has joined Thompson, Coe & Cousins, Dallas attorneys, as a partner. The firm will be known as Thompson, Coe, Cousins & Irons.

Flint Assn. of A&H Underwriters

heard Rollie Slotten, Inter-State Assurance, Des Moines, at the December meeting. He is president of Iowa Assn. of A&H Underwriters, and he spoke on the sales aids he has adopted.



Franz Hindermann, left, vice-president and secretary of the board of directors and committees of Pan-American Life, receives from Crawford H. Ellis, president, a silver plaque and certificate commemorating his retirement from the company after 43 years of service. Mr. Hindermann also was presented with a portable television set, also shown here, from his close associates on the Pan-American staff. He will remain a director and a member of the finance committee as well as continue as secretary of the board.

training conferences with agents to find out why the business lapsed and what can be done to save it. The manager is a key man in controlling lapses. His attitude will reflect the company's, and his men will reflect his.

Lamar uses NQA all-out promotion throughout the year. This is the agen-

cy secretary's specific responsibility.

Special persistency bulletins are issued periodically. They show lapse leaders—"a dubious honor" and one that agents want to avoid. They rank agencies by lapses. They list reinstatement leaders and distribute ideas for improving persistency.

To train for better persistency. Lamar requires use of the LIAMA persistency rater by all men during their first three months; it schedules personal conferences at the home office for agents who seem to be pointed in the wrong direction; the underwrit-

ing vice-president keeps the agency department informed as to the kind of business these men are submitting; men are trained in policy delivery technique; they validate on actual earned commissions; a monthly production and activity analysis is sent to all financed men; any financed agent whose persistency gets below 80% is automatically dropped from the training allowance program.

While persistency is determined at the time of sale, much can be done through conservation work. Lamar has

(CONTINUED ON PAGE 20)

*T. Q. REPORT FROM CHICAGO:



Quality Speaks With Authority

Prepare to review the two finest individual protection plans your client can own . . . **total-quality* for total needs. Here is privileged coverage . . . positive protection . . . **total-quality* that speaks with absolute sales authority.

Fashioned with jewel-case appointments, our World-Wide Non-Cancellable, Guaranteed Renewable Income Protection and our World-Wide Major Medical are the first word in custom-built coverages.



WORLD-WIDE

NON-CAN AND GUARANTEED RENEWABLE INCOME PROTECTION



WORLD-WIDE

MAJOR MEDICAL EXPENSE PLAN PERSONAL-FAMILY

Wherever you call, North American carries the imprint of distinction . . . **total-quality* that assures extended options not found in the ordinary accident and health plan.

Add these and other luxury refinements to your working kit and you are ready for true mastery on the sales front. **Total-quality* is the mark of distinguished products by North American since 1886.

Brokerage by General Agents in 48 States



Since 1886

NORTH AMERICAN

Accident Insurance Company
209 S. LaSalle • Chicago, Ill.

ALC Names State And Province V-Ps

American Life Convention has named executives of member life companies to serve as state vice-presidents in the several states, provinces of Canada or the District of Columbia where their companies are located.

State vice-presidents are selected for a one-year term, either by the member companies in their state or by the ALC President, J. C. Higdon, president of Business Men's Assurance, and approved by the executive

committee.

It is the function of state vice-presidents to maintain the cooperation of member companies in their state, and to serve as a clearing house for the exchange of views between these companies. They also serve as a medium of communication between states or provinces and ALC headquarters in Chicago, bringing to the attention of all the members all activities, either private or governmental, which are of

interest to the insurance business.

ALABAMA—W. R. Lathrop Jr., executive vice-president, Southern Life & Health; **ARIZONA**—J. Carl Osborne, president, Commercial Life; **ARKANSAS**—Beloit Taylor, vice-president and general counsel, National Old Line Life; **CALIFORNIA**—H. Harold Leavey, vice-president and general counsel, California Western States Life; **COLORADO**—Wilmer W. Wilson, president, United American Life; **CONNECTICUT**—Hugh S. Campbell, vice-president and counsel, Phoenix Mutual Life; **CONTINENTAL AMERICAN LIFE**; **DISTRICT OF COLUMBIA**—Lloyd N. Bauman, executive vice-president and treasurer, United Services Life; **FLORIDA**—M. Stanley Niehaus, president, Gulf Life; **GEORGIA**—S. Russell Bridges Jr., president, Piedmont Life; **IDAHO**—Ursel C. Narver, president, Grange Mutual Life;

ILLINOIS—Howard C. Reeder, president, Continental Assurance; **INDIANA**—Jack J. Rosebrough, general manager, Hoosier Farm Bureau Life; **IOWA**—Dennis N. Warters, president, Bankers Life of Ia.; **KANSAS**—Harry W. Colmery, president and general counsel, Pioneer National Life; **KENTUCKY**—John T. Aree Jr., president, Lincoln Income Life; **LOUISIANA**—G. Frank Purvis Jr., vice-president, investments, Pan-American Life; **MAINE**—Alfred W. Perkins, vice-president, Union Mutual Life; **MARYLAND**—Frederick L. Wehr, executive vice-president, Monumental Life; **MASSACHUSETTS**—Victor A. Lutnicki, vice-president—group, John Hancock; **MICHIGAN**—John Panchuk, secretary and general counsel, Federal Life & Casualty; **MINNESOTA**—John W. Fischbach, general counsel and assistant secretary, Minnesota Mutual Life; **MISSISSIPPI**—P. K. Lutken, president, Lamar Life; **MISSOURI**—D. W. Gilmore, vice-president and counsel, Kansas City Life; **MONTANA**—Thomas P. Patterson, 1st vice-president, Western Life; **NEBRASKA**—N. Murray Longworth, president, United Benefit Life.

NEW HAMPSHIRE—Douglas B. Whitting, president, United L.A.; **NEW JERSEY**—John Brundage, president, Bankers National Life; **NEW YORK**—Leo D. Fitzgerald, vice-president and counsel, Equitable Society; **NORTH CAROLINA**—Harold D. Coley, president, Durham Life; **NORTH DAKOTA**—William E. Wright, executive vice-president, Pioneer Mutual Life; **OHIO**—W. C. Safford, president, Western & Southern Life; **OKLAHOMA**—Rowe Cook, vice-president and general counsel, Mid-Continent Life; **OREGON**—Garnett E. Cannon, president, Standard; **PENNSYLVANIA**—William Elliott, board chairman, Philadelphia Life; **SOUTH CAROLINA**—Robert R. Scales Jr., counsel, Liberty Life; **SOUTH DAKOTA**—Frank L. Bramble, chairman, Midland National Life; **TENNESSEE**—Guilford Dudley Jr., president, Life & Casualty; **TEXAS**—Pat M. Greenwood, president, Great Southern Life; **UTAH**—Virgil H. Smith, president, Beneficial Life; **Vermont**—Deane C. Davis, president, National Life; **VIRGINIA**—Charles A. Taylor, president, Life of Va.; **WASHINGTON**—H. O. Fishback Jr., vice-president, Northern Life; **WISCONSIN**—Gordon D. Adams, president, Wisconsin Life; **WYOMING**—Don Correll, president, Old Faithful Life.

MANITOBA—D. E. Kilgour, president, Great West Life; **ONTARIO**—E. C. Gill, president, Canada Life; **QUEBEC**—George W. Bourke, president, Sun Life.

"This is certainly the most
completely flexible Group Major Medical
package
I've seen!"



That's the reaction you'll get on your callback, when you have put Security Protector Major Medical plans in the hands of your business prospects.

Seven different combinations of group benefits give you flexible and comprehensive coverages . . . that you can tailor-make to fit the thousands of businesses in your territory employing 10 to 24 persons. And, your presentation of Security Protector Major Medical can turn up new prospects for Individual Life, Non-Can, Sickness & Accident and Pension Trust, too!

Security Protector with Major Medical — puts another dynamic Business Builder in your new portfolio!

Why not contact your Security Mutual General Agent . . . today!



security mutual life insurance company

Richard E. Pille, President.
Harland L. Knight, Agency Vice President.

Your Security our Mutual responsibility

81 EXCHANGE STREET, BINGHAMTON, N. Y.

Conventions

Dec. 27-30, American Assn. of University Teachers of Insurance, annual, Washington Hotel, Washington, D. C.

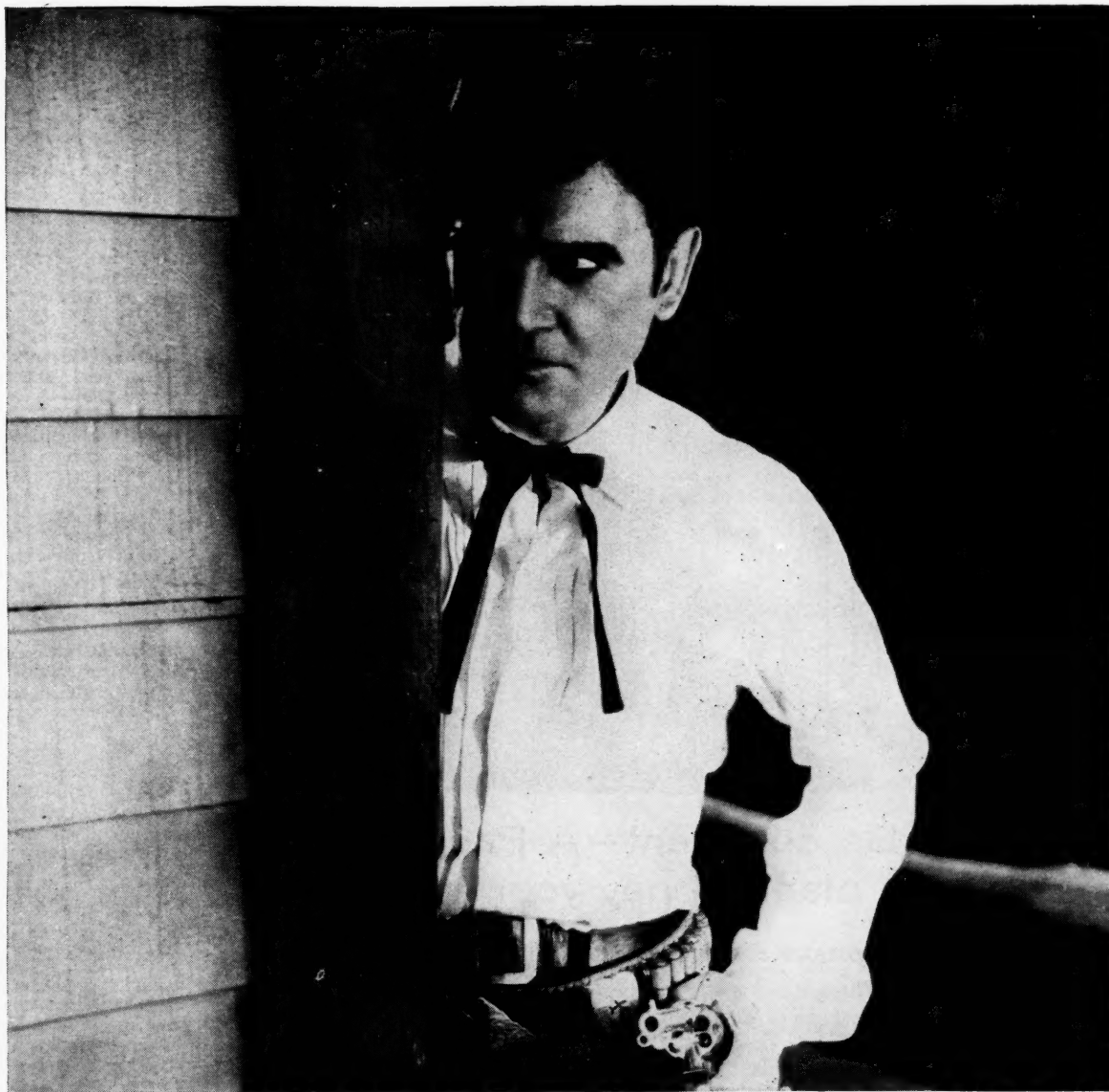
1960

- Feb. 15, Insurance Economics Society, executive committee, Drake Hotel, Chicago.
- Feb. 19-20, New York Life Underwriters, general agents & managers conference, Queensbury Hotel, Glens Falls.
- Texas Tri-City Sales Congress, Feb. 25, Dallas; Feb. 26, San Antonio, Feb. 27, Houston.
- March 14-16, Life Insurance Agency Management Assn., agency management conference, Royal York Hotel, Toronto, Canada.
- March 20-24, National Assn. of Life Underwriters, midyear, Louisville.
- March 24-25, Society of Actuaries, eastern spring meeting, Mayflower Hotel, Washington D. C.
- April 11-13, Life Insurance Agency Management Assn., accident & sickness meeting, Edgewater Beach Hotel, Chicago.
- April 27-29, Life Insurance Agency Management Assn., combination companies conference, Hollywood Beach Hotel, Hollywood Beach, Fla.
- May 5-6, Society of Actuaries, western spring meeting, Roosevelt Hotel, New Orleans.
- May 9-10, Assn. of Life Insurance Counsel, midyear, The Greenbrier, White Sulphur Springs, W. Va.
- May 9-11, Home Office Life Underwriters Assn., annual, Sheraton-Plaza Hotel, Boston.
- May 15-18, Life Insurance Agency Management Assn., agency officers round table, The Homestead, Hot Springs, Va.
- May 16-18, Insurance Accounting & Statistical Assn., annual, Hotel Sherman, Chicago.
- May 16-18, Health Insurance Assn., annual, Statler Hilton Hotel, Dallas.
- May 19-23, MDRT annual, Hawaiian Village Hotel, Waikiki Beach, Hawaii.

SUPERVISOR WANTED EXCELLENT BASE SALARY OVERWRITE AND EXPENSES

TRANSFER OF A SUPERVISOR FROM SAN DIEGO TO LOS ANGELES WILL PROVIDE AN EXCELLENT OPPORTUNITY IF YOU ARE QUALIFIED. OUR AGENCY HAS BEEN NO. 1 SINCE 1950 FOR THE WASHINGTON NATIONAL INS. CO.

H. E. NEVONEN, C.L.U., GENERAL AGENT
3580 Wilshire Blvd. Los Angeles 5, Calif.



Richard Dix got dramatic results when he called The Man from Equitable

Richard Dix, star of silent and talking films, played all kinds of dramatic roles—and *he wanted insurance that could do the same!* So he called The Man from Equitable, and got *Living Insurance*—with benefits for the living...for better living. It not only provided protection, but also provided a *guaranteed cash reserve* that could be used for re-

tirement, emergencies, etc. Today more people are buying *Living Insurance*, and hearing about it, too—on DOUGLAS EDWARDS WITH THE NEWS, over the entire CBS-TV network, and on OUR AMERICAN HERITAGE on the full NBC-TV network. ©1959 The Equitable Life Assurance Society of the United States. Home Office: 393 Seventh Avenue, New York 1, N. Y.



Living Insurance from **EQUITABLE**

ALLEGES 'ANTI-TRUST'

Agent Sues Insurer For Reversal On Replacement Policy

NEW YORK—An agent and his unit supervisor have brought a Sherman-Act anti-trust suit against Massachusetts Mutual Life and Phoenix Mutual Life for commissions and overrides on

\$800,000 of minimum deposit insurance issued by Massachusetts Mutual but then cancelled—allegedly because Phoenix would lose a like amount of insurance written a couple of years before on the same applicants.

The agent, Frank G. Masini Jr., and the supervisor, Samuel B. Levine, stated in their complaint in federal court here that the policies had been issued as applied for but that when the agent took them to the purchasers for delivery, they decided they wanted the effective date changed from July 12, 1958, to about Dec. 24, 1958, and

gave the agent a check for \$2,000 as "the first installment" on the first annual premium of \$20,321.

The plaintiffs further alleged that Phoenix Mutual "knew or had reason to know" that the eight policies it had in force on the same applicants for the same amounts would be dropped when the Massachusetts Mutual policies went into effect. Messrs. Masini and Levine also alleged that after the \$2,000 check had been received and the policies had been received for re-dating, the two insurers had "agreed to and did boycott, coerce and intimidate said Masini

and Levine from selling minimum deposit policies in Massachusetts Mutual to any customer who carried insurance in Phoenix and which insurance might therefore be dropped or cancelled."

The complaint goes on to state that "pursuant to said agreement, Massachusetts Mutual refused to re-date the aforesaid policies, refused to return them, cancelled them and returned the premium which had been paid on said policies." The plaintiffs ask treble damages for loss of commissions and overrides, and for counsel fees and costs.

Allege N. Y. Law Was Violated

They also seek to recover damages under section 340 of the general business law of New York on the ground that the alleged agreement between Massachusetts Mutual and Phoenix Mutual "unlawfully interfered with the free exercise by the plaintiffs in the conduct of their activities in the life insurance business."

Both companies in their answers denied the alleged agreement. Massachusetts Mutual agreed that the \$2,000 check was returned by Mr. Masini's general agent, Jacob S. Karp of Brooklyn. Phoenix made a counterclaim against Mr. Levine, alleging that he had breached his contract as a full-time agent of Phoenix when he became a unit supervisor with the Karp agency.

Says Policies Weren't In Force

Massachusetts Mutual stressed the point that while the insured had indicated premiums were to be paid annually, the check tendered was for only \$2,000, and that no request for a change to any other mode of payment had been requested. For this reason the company contends the policies were never in force.

The company denied there was pressure from Phoenix Mutual or that the two companies agreed to anything.

Mrs. McKay Is Executive Secretary Of L. A. Agents

Mrs. Irene McKay has been appointed executive secretary of Life Underwriters Assn. of Los Angeles. She succeeds Nancy Grobert, who has assumed duties with General Agents & Managers Conference in Washington.

As executive secretary, Mrs. McKay will serve also as executive secretary to Life Insurance Managers Assn., Los Angeles CLU Chapter, Quarter Million Dollar Round Table and Group Managers Assn. of Southern California.

Mrs. McKay served as executive secretary of Texas Assn. of Life Underwriters for eight years and has been in public relations work some 20 years, principally in the trade association field.

Photo Captions Switched

Identifications for a three-man photo on page 2 of the Dec. 5 issue should have read, from left, President Davis W. Gregg of American College, Earl R. Trangmar, 3rd vice-president of Metropolitan Life, and Bernard S. Lyon, regional agency vice-president of Pan-American Life.

The caption that appeared with the photograph should have gone with a photo appearing on page 25 of the Nov. 21 issue, which showed Mr. Gregg, W. L. Forker, superintendent of agencies of Equitable Life of Iowa, and Paul Light, regional vice-president of Pan-American Life.

The meeting was held at Montreal, not Toronto, as stated in the Dec. 5 caption.

ADVERTISED IN LOCAL NEWSPAPERS

Advertisements similar to this one are targeted at the prospects of our representatives in their own local areas. Each advertisement features a particular policy; thus affording the local agent a "hard selling" partner. These advertisements will reach millions of readers throughout our territory, building prestige for the company and developing prospects for the agent.

The fine promotional assistance rendered by newspapers, magazines and reprints of our ads, furnished by the Home Office, are additional ammunition. All this, coupled with our top-notch policies and sales aids, will help you sell more under

PAN-AMERICAN'S CAREER CONTRACT

Crawford H. Ellis
President

John Y. Rudwick
Executive Vice-President

Kenneth D. Hamer
Senior Vice-President



Be confident—A Pan-American plan will pay your mortgage!

MORTGAGE REDEMPTION POLICY

This policy assures mortgage payments in the event of death of the head of the family. It is one of Pan-American's most popular plans—because, if the family head lives to complete all mortgage payments, the money saved under this plan can be converted into several attractive assets.

MORTGAGE DISABILITY POLICY

This plan provides a guaranteed income for mortgage payments if the family head is totally disabled. It is available at extremely low rates, and its many advantages will enable you to face the future more confidently.

Call this office today to be sure your family will always have your home.

Among the top 10% of U. S. Life Insurance Companies—writing more than 90% of all life insurance.



General Agent's
Name and
Address go here

Pan-American Life Insurance Company

A Mutual Company • New Orleans, U. S. A.

1960s Look Good To Institute Of Life Insurance Speakers

(CONTINUED FROM PAGE 1)

down the wage-price spiral, even at the risk of long and costly strikes, and finally, the industrial and economic comeback of western Europe and Ja-

OFFICERS ELECTED

Chairman—Clarence J. Myers, chairman and president of New York Life.
Directors—four-year terms: T. S. Burnett, president Pacific Mutual Life; Eldon Stevenson Jr., president National Life & Accident; Dan C. Williams, president Southland Life. Re-elected to serve through 1963: Mr. Myers and Walter O. Menge, president of Lincoln National Life.

Board members elected to executive committee—O. Kelley Anderson, president New England Life; M. R. Dodson, president Ohio National Life; Frederic W. Ecker, chairman Metropolitan Life; Howard Holderness, president Jefferson Standard Life; David E. Kilgour, president Great-West Life, and Mr. Menge. Mr. Myers, as chairman of the institute, is ex-officio chairman of the executive committee.

pan, which, as competitors, "are already putting great pressure on us to keep our costs down."

William P. Worthington, Home Life of New York, noted the increased demand for "seconds" in the 1960s—second telephones, second TV sets, second family cars, and the like—and said there should also be "seconds" in life insurance in the form of additional family protection.

Has 'One-Car' Insurance

Many a family with two cars in the garage and a swimming pool in the yard has less than an adequate "one-car life insurance program," he observed.

E. J. Faulkner, Woodman Accident & Life, said "the prospect of full employment, a larger labor force, a vast increase in discretionary spending power, the motivation to save for better homes and more adequate education are all factors that augur well for an over-all increase in the rate of saving by individuals."

"At the same time, continued high taxes and the American penchant for mortgaging earnings through installment purchases mean that most families will be saving just a few dollars at a time from the monthly paycheck," he said. "For the accumulation of this kind of savings, life insurance is peculiarly well suited."

Public Must Understand

The panel chairman, Charles J. Zimmerman, Connecticut Mutual, warned that growth projections for the 1960s will not materialize if the public does not have greater knowledge and better understanding of the economic, social and political systems. There must be a clearer understanding that both savings and spending in proper proportion are necessary for economic growth, he said.

Should projections in population growth, in formation of families and households, in the labor force, in the gross national product and in income prove reasonably accurate, "then certainly life insurance will have the opportunity to enjoy its greatest decade of growth," said Mr. Zimmerman.

In summing up the panelists' conclusions, President Holgar J. Johnson of the institute, noted that the public belief in future prosperity and a high standard of living, viewed optimistically, can stimulate the use of life insurance to guarantee to families a continuation of such standards even

beyond the life term of the individual.

On the other hand, he said, belief in prosperity and high living standards may be the result of the materialistic philosophy of the 1950s, and if this is true it would constitute a challenge to the leadership not only of the nation but of business people as well.

Moral Values Getting Attention

Mr. Johnson said there are indications of recognition of moral values "to give heart to those who would encourage their further extension." As examples he cited the desire for home ownership and strong family relationships, as well as the tremendously important part that religion has in American life.

In his opening talk as institute chairman, Howard Holderness, president of Jefferson Standard Life, said inflation is one of the problems that will carry over into the 1960s, adding that "the way the inflation problem is solved will have a large part in determining the shape of our affairs and the extent of progress in the new decade."

Indicating that progress is being made in the battle against inflation, he noted that for some months now the price level has displayed reasonable stability.

"Savings have been in good volume, even though they show no appreciable increase," he said. "More important, the public has been aroused to check, at least temporarily, the trend toward unrestrained government spending."

In the decade now ending, he said, the life insurance business, through the institute, asserted leadership in opposing inflation, both in its economic bulletin and in the institute's cooperative advertising program.

Cause For Pride

"I think we can all take pride in the job that has been done," he said. "The leadership we have exercised through the institute has been effective, particularly over the last year, in marshaling the support of others to the cause."

Luncheon speaker was former Gov. Stevenson of Illinois, twice the Demo-

cratic nominee for president. He was optimistic about the coming decade but expressed impatience at the concern about "spending" being concentrated on government spending, with no voice being raised against lavish business expense account spending and other outlays for objectives of dubious value.

Gardner Cowles, editor of Look magazine, talked on factors of growth and change to be seen on the horizon as America enters the 1960s decade.

Addresses Los Angeles Managers

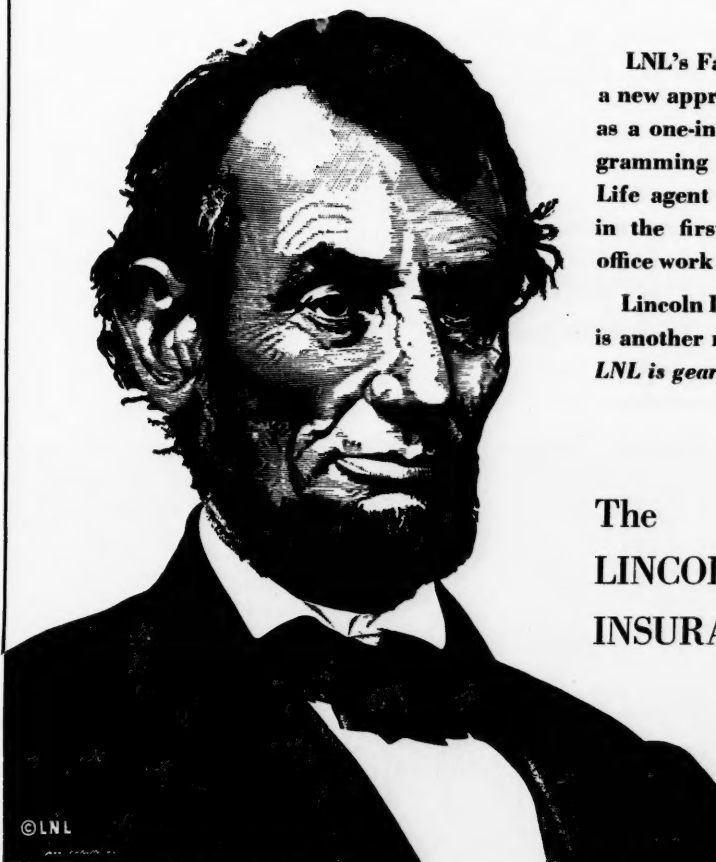
Thomas Norton, deputy commissioner of the California department, addressed the November meeting of Los Angeles Life Insurance Managers Assn. He reviewed bills affecting life insurance that were passed in the last session of the legislature.

American Bankers Life of Florida has been licensed in Wisconsin.

California Life has been licensed in Minnesota.

Southwestern Life has been licensed in Missouri.

New Programming Approach



LNL's Family Security Forecaster brings a new approach to programming. Designed as a one-interview sale, it streamlines programming so effectively that the Lincoln Life agent can present a tailor-made plan in the first interview. No long hours of office work wasted on sales that aren't made.

Lincoln Life's Family Security Forecaster is another reason for our proud claim that LNL is geared to help its fieldmen.

The
LINCOLN NATIONAL LIFE
INSURANCE COMPANY

Fort Wayne, Indiana

Its Name Indicates Its Character

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Kan. Life Executives Elect R. F. Kolterman President At Annual

TOPEKA—R. F. Kolterman, president American Home Life, was elected president at the annual meeting here of Kansas Life Insurance Executives Assn.

Ralph Wesley, executive vice-president Central Plains Life, was reelected vice-president and Larry Lindbloom, treasurer Kansas Farm Life, was elected secretary-treasurer.

The association consists of 10 life companies domiciled in Kansas. Total life in force of these companies exceeds \$1.2 billion, and assets are in excess of \$250 million.

Principal duties of the organization are to handle problems common to the industry, both locally and nationally, and to better serve policyholders.

Seattle Life Managers Assn. at the November meeting heard Paul R. Green, Aetna Life, Seattle, and a director of NALU, discuss "Selecting the Career Life Insurance Agent."

Mont. Commissioner Criticizes Okla. Plan To Tax Annuities

Commissioner John Holmes of Montana, who has been in office since 1933 and is preparing for another run at the job, has issued a statement criticizing the efforts of Commissioner Joe Hunt of Oklahoma to collect taxes on annuities. A statement has been distributed to several insurance publications and was passed about at the meeting of National Assn. of Insur-

ance Commissioners last week in Miami Beach. It is printed herewith verbatim:

According to an article in the Nov. 14, 1959, issue of THE NATIONAL UNDERWRITER, Insurance Commissioner Hunt of Oklahoma has ordered the Equitable Life Assurance Society of the United States to "pay up or get out" of the state in thirty days. The payment requested is in the amount of \$1,245,64, representing an amount alleged due the state of Oklahoma for back premium taxes on annuity contracts. A similar ultimatum was handed the Metropolitan Life Insurance Company, allegedly owing over one million in back taxes for the same coverages.

Montana's Insurance Commissioner, John J. Holmes, stated the "ultimatum" was strange words, tragic, but true, and that the author of these words has done more to hasten Federal supervision than anything that has happened in his time. He further commented that this situation is similar to that of Tommy Gibbons, although of Irish ancestry, refused to fight in the prize ring in Ireland because they changed the rules as the fight progressed, especially if the bout was not going their way.

Terms It 'Tragic'

Now it is tragic when an insurance department changes its rules, or, so to speak, changes horses in the middle of the stream. This recently happened in Montana and Mr. Holmes offers his most humble apologies to the insurance companies that were besmirched by the activities of an ambitious, but entirely stupid tax authority. Said levy, perpetrated without consultation with, or approval of the Montana Insurance Department, has forced the oldest life insurance company domiciled in Montana to seek refuge in another state.

Mr. Holmes further contended that the citizens of Montana, who purchase annuity contracts are affected by the tax treatment annuitants receive in Oklahoma and that in view of this, the Montana Insurance Commissioner is not shoving his nose into things that do not concern him when he asks for fair treatment for the thrifty annuitants who are providing for their old age by buying annuities in Equitable or other insurance companies offering such coverages.

Mr. Holmes stated that he has been Insurance Commissioner of Montana for almost thirty years and has never found a life company that would take advantage of a tax situation. The companies religiously pay their taxes and it made him sad when the present situation arose in Oklahoma. It certainly is not the fault of the companies.

Thurman May Be Out As Ky. Commissioner

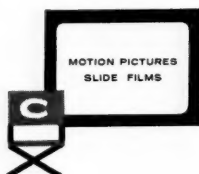
LOUISVILLE—Bert Combs takes over this week as governor of Kentucky, and the speculation is that a new insurance commissioner will be named to replace Cad P. Thurman. Mr. Combs is from a faction of the Democratic party opposed to the outgoing governor, A. B. Chandler.

One of the more prominently mentioned for the job of commissioner is McKay Reed, general agent of John Hancock Mutual Life, who served a short term as commissioner in 1935.

Mr. Thurman had a previous term as commissioner when Earl C. Clements was governor. Mr. Clements is described as the Democratic political boss of Kentucky.

WE CAN'T CLAIM ALL THE CREDIT, BUT....

OVER \$1 BILLION INSURANCE SOLD WITH COLBURN PRODUCED M-P* FILMS



21 Colburn produced Motivation-Presentation films for the insurance industry are aiding insurance salesmen to new sales records. If you are considering mechanical sales aids in either sound-slide film or motion picture for your sales program, we would welcome the opportunity of discussing our Motivation-Presentation film service with you. In addition to providing you with a wealth of experience directly in the insurance field, we also provide a complete package service. Included are creative script development and writing; production of both picture and sound under imaginative directors in our own studios, plus portable projector units. All at an integrated production price that can mean important savings to you. Why not drop us a line today for complete information?

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Editorial Comment

Insurance And Motivation Research

Even the confirmed skeptics must have been fascinated by the possibilities of motivation research in life insurance marketing, as outlined by Vice-president Irving Gilman of Motivational Research Institute, Inc., at the recent annual meeting of National Assn. of Independent Insurers and reported at some length in THE NATIONAL UNDERWRITER of Nov. 21.

Some of Mr. Gilman's conclusions and suggestions seem to us to make good sense. Others we're dubious about, mainly because they seem to be based on little except the assumption that there's nothing that a good dose of motivational research won't take care of. And we wonder if even the best of Mr. Gilman's suggestions can really do anywhere near as much for the marketing of life insurance as he believes they can.

For example, Mr. Gilman thinks the companies and agents have made the mistake of putting the prospect on the spot, riding him with guilt feelings to the point where he wants to avoid discussion of insurance because the subject is painful to him. This should be altered, says Mr. Gilman, to transform insurance into a pleasant, happy subject and the agent into a counselor, friend and ally instead of a harbinger of disaster.

Mr. Gilman contends that all this can be done if the insurers and their agents will but alter the "image" that the public has of them. But we still wonder. Not about the desirability of improving the image but about its effectiveness in terms of sales, agent efficiency, and conservation.

We know a man who thinks his agent is a grand fellow—because he never bothers him about buying life insurance. "I just let him know when I want to buy more insurance," he told us one day. From what we can gather, this man is worth decidedly more alive than dead.

The trouble with relying on changing the public's "image" of insurance is that no matter how much it is changed it can't alter the basic fact that buying life insurance takes money

that could otherwise be spent on present pleasures. True, the man is buying the present pleasure of having his conscience quit gnawing at him. But this presupposes that a good salesman has reactivated the man's conscience to the point where it hurts him more than letting loose of the premium money that is needed to make it quit hurting.

The life insurance industry may succeed in changing its institutional image to the point where life insurance will seem the gayest, merriest thing that ever was. The agent can be made to seem a prince of good fellows, a saint on earth, a guide, philosopher and friend. But will any of this take the prospect's mind off the hole that the proposed premium will make in his bank account? No. Life insurance can be made to seem as attractive as a diesel yacht, but without the prodding of conscience it will have just about as little chance of being bought.

The hard fact remains that usually a life agent has to get his buyer to do something he doesn't want to do at all, and wouldn't do if not for the call of duty—as focused upon him by the agent. The process can be handled so the prospect understands the need and wisdom of what he is doing. He should have the reassurance that comes from having confidence in his agent. But the transaction can never become what is nauseatingly called "a fun thing," and the cost of life insurance could be needlessly increased by trying to make it so.

We agree with Mr. Gilman's statement that it is important to find out what motivates people, because obviously a great deal of the reason why some agents succeed magnificently with the same policies and commission rates with which other agents fail miserably is that the good ones know how to motivate. They've done their own personal motivation research, though few would think to dignify it by such a scientific-sounding term.

Mr. Gilman also holds that status is very important in the marketing of insurance, and this seems like a sound

observation. Part of the difficulty with doing anything to use status effectively in the marketing of life insurance is that life insurance can't be worn, ridden around in, dived into, inhabited, or smoked. It has very limited value for bragging purposes. The "status" that it gives its owner has largely to do with his mind and soul.

But that doesn't mean that this inner state of satisfaction isn't important or couldn't be made more so. In spite of all the evidence of status-seeking in the superficial, external sense, it seems unthinkable that men and women think only of this kind of status. There must be many to whom self-respect is as important as the respect of others, men who would lack "status" with themselves if they failed to provide properly for their families, even though a wife can't wear her husband's insurance policies around her neck like a mink stole.

Motivational research could well be used to determine how best to sensitize people to this inner "status" appeal of an adequate life insurance program. Then advertising, which Mr. Gilman thinks is pretty dead-level in life insurance, could be used to educate the public to the satisfactions of having adequate insurance. Maybe it would be through an appeal to pride: "Are you worth \$50,000 to your family and trying to get by with \$20,000 of insurance?" Maybe the appeal would be to peace of mind: "Man, there's nothin' like the deep down satisfaction you get from knowin' you've got enough life insurance!"

In this connection, we believe that even without any motivation research the life companies could do a lot more than they are in using their advertising to make the insuring public conscious of how much life insurance is enough. The reluctance to do so has undoubtedly been mainly due to fear of scaring off some buyers by setting the figures too high or letting the cheapskates off too easily by setting the figures too low. But we believe some sort of do-it-yourself program chart would be preferable to permitting so large a segment of the public to continue in blissful ignorance of what it takes to constitute even a moderately decent program.

Much could and should be done to find out what the public thinks about life insurance and life agents and what motivates the insurance buying public. Doubtless a good deal of this

will be learned in the survey already under way for LIAMA and Life Underwriter Training Council. The main criticism we have of Mr. Gilman's advice is that it makes too much of the "image" that the life companies and their agents have among the general public.

The image may have its faults, as Mr. Gilman says, but in laying so much stress on the importance of changing the image, we wonder if Mr. Gilman isn't applying to life insurance too literally the lessons learned from other fields of merchandising. In these other fields, the image can be of vital importance, because the marketing system is to have the customer ask for what he wants. But the fact is that the public's "image" of life insurance and its agents, though capable of improvement, is really pretty good. At least, it is good enough so that not much greater ease of marketing can reasonably be expected from a drastically different kind of image.

Rather than fooling around with images, it seems as if there is a lot more valuable marketing information to be obtained by finding out what kind of salesman and sales approach is effective with the public and arranging things so that more effective salesmen are doing more effective things. If that is done, the image should be even better than it is now. But that is not important, as long as more people are getting the insurance protection they ought to have. For unless an "image" truly reflects achievement, it will be seen for the phony that it is. —R.B.M.

Personals

Francis A. Harrington, vice-president and group secretary of Paul Revere Life and Massachusetts Protective Association, was one of 12 persons to receive the national distinguished citizens award of the National Municipal League at its annual conference on government in Springfield, Mass.

Horace R. Smith, assistant agency vice-president of Connecticut Mutual Life, has been reelected a director of the National Society of Sales Training Executives. Mr. Smith has also been president of the society for the past year and at the recent annual meeting in Hollywood, Fla., was elected an honorary life member of the organization.

Miss Jane McKinnon Slichter, daughter of Donald C. Slichter, president of Northwestern Mutual Life, was married at San Francisco. The groom is Thomas K. Allen of Northern Ireland.

IHO Committee Chairmen Appointed For 1960

Named committee chairmen of Institute of Home Office Underwriters for 1960 are: Nominating committee, Charles A. Will of Guardian Life; membership, Ira A. Dryden Jr. of Amicable Life of Waco; underwriting forms, Raymond A. Burke of North American Re; education and examination, W. R. Condon of Ohio National Life; procedures and cost, Gale P. Osterday of National Public Service of Seattle, and reading and reference, Richard W. Fox, of Country Life of Chicago.

THE NATIONAL UNDERWRITER

The National Weekly Newspaper
of Life and A&S Insurance



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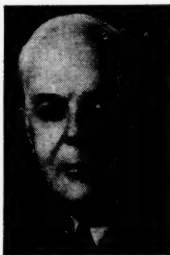
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Deaths

Stocks

FRED L. CONKLIN, 83, retired president and chairman of Provident Life of North Dakota, died after a long illness. A charter director upon the founding of the company in 1915, he became secretary a year later, vice-president in 1936, and president in 1942. He was chairman from 1954 until his retirement in 1956. For many years he was vice-president of American Life Convention. During the Spanish-American War, Mr. Conklin served with the U. S. Army in the Philippines. He received a citation from the Freedoms Foundation for his services on national committees of U. S. Chamber of Commerce.



Fred L. Conklin

JOHN T. MULLOY, 38, brokerage supervisor for the Schott agency of Phoenix Mutual Life at Chicago, died there. He had been with the agency 13 years.

New Business Written In Mass. Mutual Sales Drive Reaches \$237.3 Million

New business written by Massachusetts Mutual's field force during its annual five-week fall sales campaign totaled \$237.3 million, a record and exceeded the company's earlier announced goal of \$190 million by 25%.

Of the company's 107 agencies 77 exceeded production goals. The sales drive is based on a competitive arrangement whereby each general agency is challenged to exceed its production goal by a greater percentage than a designated opposing agency in another city.

Leading agencies in their size group, their dollar production and percentage of goal were Los Angeles, \$16,030,165, 198.6%; Kansas City, \$3,415,053, 205.6%; Fresno, \$2,136,190, 258.9%, and Bridgeport, \$2,525,750, 375.3%.

Leading agents and their production were Ira E. McMillian, San Francisco, \$2,210,155; Daniel Auslander, New York-Copeland, \$2,001,100, and John C. Hensley, St. Louis, \$1,806,000. During the campaign, more than \$500,000 of new business was written by each of 43 agents and 18 wrote more than \$400,000.

Members of Equitable Society's Gateway Center agency at Pittsburgh point out some of the company's public health booklets on exhibition at a booth in the health fair sponsored by Allegheny (Pa.) County Medical Society in connection with Pittsburgh's bicentennial celebration. From left, are Edward Aiken, assistant manager, Maurice B. Cahill and Richard J. Schaefer, agents.



By H. W. Cornelius of Bacon, Whipple & Co.
135 S. LaSalle St., Chicago, Dec. 10, 1959

| | Bid | Asked |
|--------------------------------|-------|--------|
| Aetna Life | \$ 88 | \$ 89½ |
| Beneficial Standard | 16½ | 17½ |
| Business Men's Assurance | 39 | 40½ |
| Cal-Western States | 112 | 115 |
| Commonwealth Life | 21 | 22 |
| Connecticut General | 361 | 365 |
| Continental Assurance | 153 | 156 |
| Franklin Life | 75 | 76½ |
| Great Southern Life | 83 | 85 |
| Gulf Life | 20½ | 21½ |
| Jefferson Standard | 99½ | 102 |
| Kansas City Life | 1400 | 1425 |
| Liberty National Life | 61½ | 63½ |
| Life & Casualty | 21 | 22 |
| Life of Virginia | 48 | 50 |
| Lincoln National Life | 237 | 243 |
| National L. & A. | 103 | 105 |
| North American, Ill. | 16 | 17 |
| Nw. National Life | 97 | 102 |
| Ohio State Life | 295 | 315 |
| Old Line Life | 72 | 75 |
| Republic National Life | 69 | 72 |
| Southland Life | 100 | 105 |
| Southwestern Life | 60 | 63 |
| Travelers | 87 | 89 |
| United, Ill. | 47½ | 48½ |
| U. S. Life | 43 | 44 |
| Washington National | 57 | 60 |
| Wisconsin National Life | 41 | 43 |

Massachusetts Indemnity Agents Elect Rutledge

Tyndale F. Rutledge has been elected president of Massachusetts Indemnity & Life General Agents Assn. at its meeting in Chicago. Russell M. White Jr., was named vice-president, and Robert C. MacLean, secretary-treasurer.

These elected officers, plus David B. Temple; Carl E. Roberts and Joseph S. Lebby, will serve on the executive committee.

Roger Billings Jr., vice-president and agency director, discussed the past year's accomplishments and plans for 1960—one of which is to establish agencies in Dallas and Houston.

Trophy To Lebby, Morgan

A highlight of the meeting was the presentation of the Roger Billings trophy to Mr. Lebby and Harold P. Morgan for outstanding achievement.

Talks at the meeting consisted of "Recruiting and Selection," Philip M. Feingold; "Supervising and Training," Robert J. Buck; "The Training Format," Mr. White Jr.; "The Training Program," Seymour V. Prell; "Brokerage in Today's Market," Mr. MacLean; and "Management Planning," Mr. Roberts.

William D. Clements Jr., Collingswood, N. J., manager of Franklin Life, has been cited as the company's man of the month for November.

WE SAID IT.... AND WE'RE GLAD!

THE QUESTION WAS:

IS IT GOOD BUSINESS TO
WINK AT "POOR" BUSINESS?

OUR ANSWER WAS
(AND IS!):



Our company's renewal ratio is above average. But as in all companies, there are always a few agents who tend to sacrifice quality for volume.

A lapsed policy is not only an economic waste; it is also a "black eye" for the agent, the company, and the institution of life insurance.

So, rather than just talk about "quality" . . . we've decided to do something about it. And here's how:

- (1) Establish a minimum renewal ratio for all company honors and bonuses.
- (2) Provide our agents with up-to-the-minute tools for "pre-judging" a prospect's ability to maintain his insurance.
- (3) Offer sympathetic help to agents whose renewal ratios have a tendency to be low.
- (4) Terminate the contracts of those who habitually submit "poor" business, and demonstrate no willingness to improve.

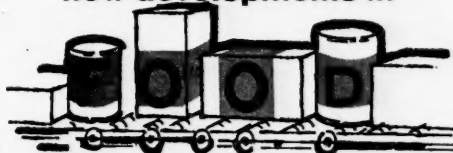


This series of advertisements first appeared in 1947. Since then, we've grown from \$½ billion to \$2½ billion in force. Our philosophy has not changed . . . our size has quintupled. We like to think these and other basic beliefs had something to do with it.

CALIFORNIA-WESTERN STATES LIFE
INSURANCE COMPANY

HOME OFFICE: SACRAMENTO

new developments in



PROCESSING mean a more productive South

Frozen orange concentrate today brings valuable sunshine vitamins to children around the world. This and other developments in food processing have given tremendous impetus to the food processing industry in the South. Food processing is one of the South's most important industries. This 11-billion dollar Southern industry provides 24% of the nation's processed food.



LIFE INSURANCE
COMPANY
OF GEORGIA
SERVING THIS FAST-GROWING
REGION SINCE 1891

New Enlarged Edition Of A&S Handbook

The Accident & Sickness Bulletins department of the National Underwriter Co. has issued a revised and enlarged edition of the long-popular Handbook of Accident & Sickness Insurance, which in its 74 pages contains concisely-presented basic information about A&S for agents, prospective agents, and company and agency employees. It is useful, along with other study material, in preparing for state license examinations.

Two chapters have been added and the information on contracts and coverages has been broadened. One of the new chapters includes a convenient topical summary of what the agent should know, and the other contains 100 helpful questions of the kind asked in license examinations. Other chapters deal with economic reasons for A&S, contracts and coverages, the regulatory requirements, underwriting, claim and benefits, state supervision, and professional standards for agents. The handbook is available from the National Underwriter Co. at \$1 a

copy (payment with order) and in quantities of five or more at reduced prices.

Canadian Life Officers Name Green Advertising Chairman

Robert M. Green, vice-president in charge of Canadian operations of Prudential, has been appointed chairman of the standing committee on institutional advertising of Canadian Life Insurance Officers Assn. He succeeds J. T. Bryden, vice-president and general manager of North American Life of Toronto.

Cal. Bar, Dental Assns. Propose Group Plans

(CONTINUED FROM PAGE 6)
by calling the plan "franchise" coverage."

In the 1959 session of the legislature, the agents' association sponsored legislation defining franchise life, allowing such coverage for members of professional associations but preventing issuance to any organizations other than professional. While the legislation successfully passed both houses of the legislature, it was pocket-vetoed by Gov. Brown due to opposition from the state bar association. Opposition centered on the bill's grandfather clause which the attorneys felt would deny future changes in their existing plans. Agents are now seeking a special session of the legislature to consider the matter early in 1960.

A strong plea was also voiced at the committee session by Mr. Burns for an anti-discrimination law in California. "Without an anti-discrimination statute in California, and without laws regulating franchise or wholesale life insurance, the insurance buying public is completely without the protection of the insurance code, which regulates wisely all other forms of group life insurance," he explained. "This present situation constitutes an immediate threat to the people of California. If legislative remedy is left until the 1961 regular session of the legislature, we fear it will be too late."

Supports Agents' Plea

Supporting the agents' organization's plea for emergency legislation, Joseph D. Thomas, chief assistant insurance commissioner, asked assemblymen to consider the history of "member-pay-all" group plans. "These plans," he explained, "have never worked out satisfactorily. Without a common employer assisting with premiums and without a steady flow of new, young members, rates have gone up progressively, causing many plans to collapse, leaving many participants without life insurance." He stated that legislation defining and regulating franchise insurance is vital to proper regulation of insurance.

Differing sharply with the agents, Leland B. Groezinger, representing Life Insurance Assn. and American Life Convention, accused them of attempting to legislate against a marketing system which is competitive. The agents, Mr. Groezinger told the committee, are interested solely in commissions and want legislation to protect their markets. Member-pay-all group plans have not been problems where instituted, no emergency exists and legislation is not vital, he declared.

Robert Leslie, associate general agent at Los Angeles for Northwestern National Life, one of the companies actively writing franchise plans in California, told the hearing that he wasn't convinced that legislation was necessary. He argued against any limitation on the amounts of insurance a professional may have. The bill proposed by the agents contains an aggregate limit of \$50,000. Mr. Leslie said this amount has been exceeded in several instances.

Directors of the California association will meet this week to discuss further action on the measure. President Edward Neisser, Massachusetts Mutual Life, Los Angeles, indicated that he will ask the board to consider withdrawing support of the Simpson-Keogh bill as a result of testimony by the state bar and dental associations. He will also ask for a vigorous campaign to enact an anti-discrimination statute.



Anyone for a Field Trip?

We don't hide behind desks here in the home office at Minnesota Mutual. We're out on the street with the field force, before prospects, demonstrating that our formula for selling life insurance really works!

Here's the formula 1. The right combination of *organized* selling methods 2. Thoroughly proven presentations aimed at selling life insurance to fit *specific* needs 3. Dramatic and convincing visual aids that get a pros-

pect's full attention 4. A better-paying incentive contract for agents, incorporating an unusual combination of persistency fees for quality business.

Shown the way by a shirt-sleeve home office staff, our field force has put Minnesota Mutual into the top 4% in the industry. The "Star of the North" now has over \$2 billion of life insurance in force—the *second billion* written in less than five years!

The **Minnesota**
Insurance



Mutual Life
Company

Victory Square - St. Paul, Minnesota

SSNS.
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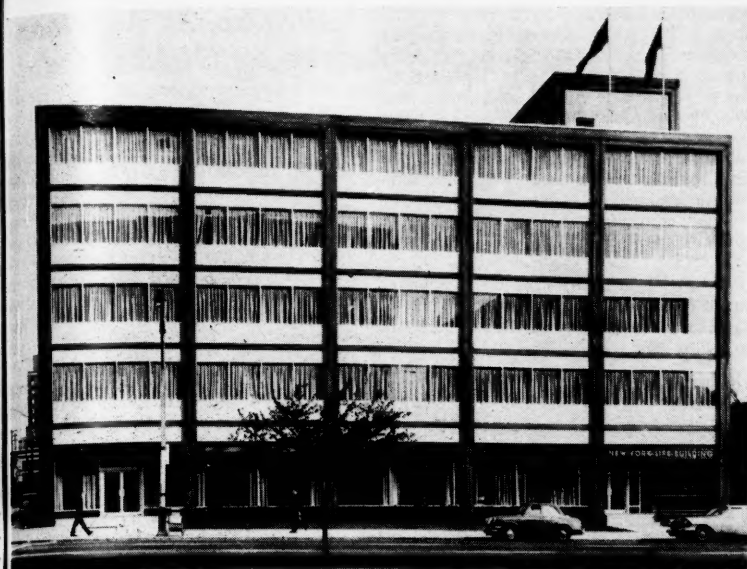
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Officially opened in a recent ceremony is New York Life's new headquarters building for the Canadian division at Toronto. New York Life occupies most of the top two floors and the ground floor houses a branch of the Canadian Bank of Commerce. Remainder of the building will be leased. Clarence J. Myers, chairman and president of New York Life, visited Toronto for the opening and presented a ceremonial chain of office to Municipal Chairman Frederick G. Gardiner at a gathering of civic leaders.

NEW *Monarch* PREMIUM PAYMENT PLAN



Systematic

Now not only can Monarch men provide all the insurance coverages their clients need — *fire and casualty as well as non-cancellable health and accident and all forms of life* — but their clients can pay for all these coverages in *one convenient monthly payment!*

Systematic — with two level-payment methods available — helps agents write *all lines on each client* — helps prevent lapse because payments are geared to the monthly budget.

Systematic — the newest reason why the Monarch opportunity is greater today than ever before!

FOR FREE MONARCH BROCHURE, WRITE DEPT. NU-2

Monarch LIFE INSURANCE COMPANY
SPRINGFIELD, MASSACHUSETTS
NOW AFFILIATED WITH SPRINGFIELD FIRE AND MARINE INSURANCE COMPANY
AND NEW ENGLAND INSURANCE COMPANY

"What's new with the **GO** Company, Charlie?"



"ACTION, Herman, lots of ACTION...
Republic National Life is expanding its Agency program and opening up fabulous new opportunities for Brokers, General Agents, and Branch Office representatives."

For Information Regarding
ACCIDENT AND SICKNESS
GENERAL AGENCY AND BROKERAGE OPPORTUNITIES
Contact Allen Cureton
Assistant Vice President and
Director A. & S. Agencies

REPUBLIC NATIONAL LIFE

Insurance Company • DALLAS, TEXAS

Life • Accident • Sickness • Medical and Surgical Reimbursement
• Hospitalization • Group • Pension • Franchise • Brokerage • Plus Complete Reinsurance Facilities

LIAMA Advised: Get Excited Over Persistency

(CONTINUED FROM PAGE 9)

an elaborate, step-by-step program for getting lapsed policyholders back into the fold. Also there are special persistency projects. For example, appointment of a persistency committee to review all lapsed cases; managers' conferences on persistency problems; a small study using the Retail Credit Co. special lapse report technique.

"Persistency control can't just be one person's business and responsibil-

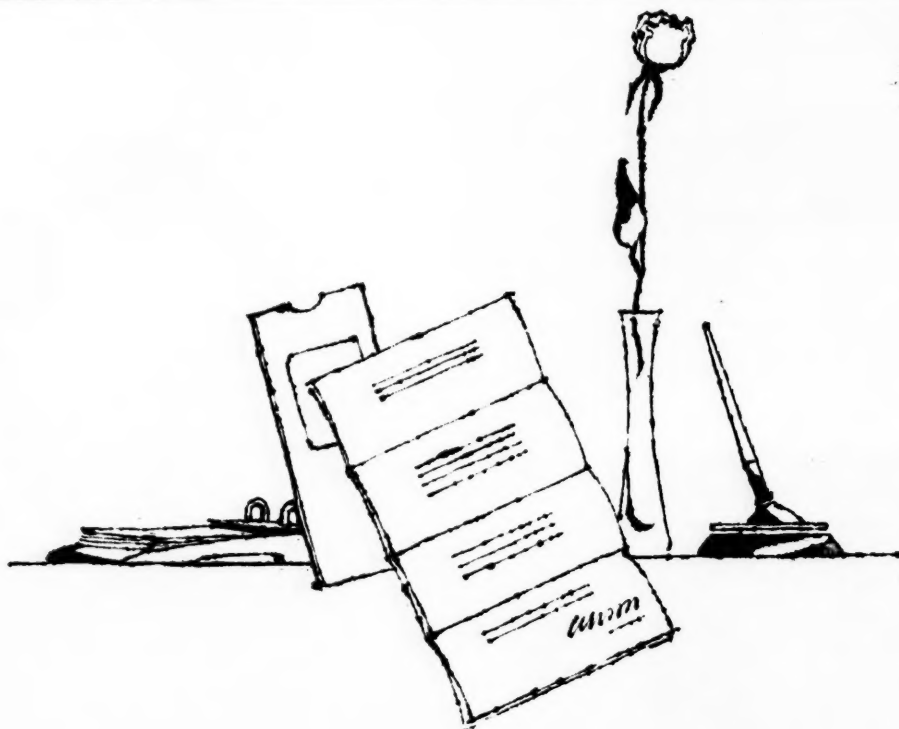
ity," Mr. Shackelford emphasized. "It must permeate the entire company. You can't maintain control without adequate records from the home office, agency and agent. The monthly actuarial report, which summarizes company operations for the month and year to date as compared with results in the preceding year keeps terminations 'gain of' in force, and reinstatements constantly before us."

Contests don't seriously affect Lamar's persistency. Some kind of contest or promotion is going every month. In addition to new business

promotions the company ran in October a "Harvest Time" reinstatement contest. This resulted in reinstating about a million dollars of lapsed business in a single month and more than \$20,000 of annualized premiums being put back on the books. The total cost was three brief-cases and several pen and pencil sets awarded to reinstatement leaders.

The campaign was so successful it was repeated in November.

Union Trust Life has been licensed in South Carolina.



At 9:20 AM, Sept. 30, we processed life insurance certificate No.

1,000,000

another rewarding milestone in the growth of Aid Association for Lutherans. This certificate brought our total insurance in force to more than one and a half billion dollars owned by our 535,000 members. Our general agency system operates in 43 states, through the productive efforts of 52 general agents and 503 full-time representatives. With this growth has come an equivalent increase in AAL's nation-wide benevolence program, aiding church-connected schools and other Lutheran organizations. As our certificate numbers start toward their second million mark, it is evident that there will be more opportunities for the increase of these benevolent activities.



Appleton, Wisconsin

AID ASSOCIATION FOR LUTHERANS

Indianapolis A&S Men Revamp Officer Lineup

Indianapolis Accident & Health Assn. at a special meeting shuffled several of its officeholders and added three new ones. Elected to newly created offices were Malcolm Dunlap, American Travelers, chairman; Leo Costin, All American L.&C., president-elect; and Weymouth Fogelberg, Indianapolis Life, and Jack Stansney, Continental Casualty, vice-presidents. Elected to fill the vacancy in the treasurer's office created by the elevation of Mr. Stansney was Jake Swanson, Longden Agency. Unaffected in the shuffle were W. Harold Petersen, superintendent of A&S agencies, American United Life, president, and Paul Hill, Insurance R&R, secretary.

Purpose of the new lineup of officers is to make the structure of the local correspond to that of International Assn. of A&H Underwriters.

Wives At Luncheon

The special luncheon meeting with wives present also kicked off a three-week membership drive with a goal of 250 members by Dec. 21, the Christmas meeting of the organization. Earl Mulchay, American United, broke up a list of 800 names of prospective members among 10 teams of 10 men each.

Mr. Costin also announced association plans to publish a directory and for a "Voluntary Health Week" by gubernatorial proclamation the week of Jan. 16-23, winding up with a Caravan Sales Congress that will appear in South Bend, Fort Wayne, and Indianapolis. Already committed to the program are Lt. Gov. Crawford Parker and Indianapolis Mayor Charles Bowell.

All American L. & C.

On Big Vets Group Case

All American L.&C. has been chosen by Jewish War Veterans of U.S.A. to underwrite a group life insurance plan to be offered immediately to its members and auxiliary. Leonard Davis & Co. of New York and Washington, D.C., consultants for employ benefit programs, will administer the plan.

According to Walter E. Goodman, group department vice-president of All American L.&C., it is expected that the plan will insure in excess of 50,000 lives. The policy is reducing term, beginning at \$6,818 at age 25 at a level annual premium. After age 55, insured members have an option either to continue at the same rate of premium or to double the amount of the premium, thereby doubling amount of insurance.

Every member under age 60 can obtain the insurance without evidence of insurability, providing his post has the percentage of participation necessary. The JWV plan allows the standard settlement options and tables contained in ordinary life policies. JWV members who maintain the insurance in force for a minimum of five years may convert to any type of insurance written by the company, other than term, in the same amount as covered at the then attained age of the member, without evidence of insurability.



Walter Goodman



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Wives At Luncheon

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Changes In The Field

Lincoln National



J. P. Kelemen

James P. Kelemen has been named a general agent in Detroit to succeed Ray H. Wertz, veteran general agent who is resigning his general agency responsibilities to devote his entire time to business insurance and estate planning. The agency will be known as James P. Kelemen & Associates, and will remain at its present location in the Guardian Building. Mr. Kelemen entered the life insurance business in 1946.

Northwestern National

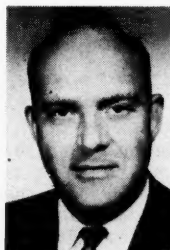
Effective Jan. 1, White & Odell agency, Minneapolis, will be split into three separate units: Minneapolis agency, W. G. Preston, manager; outstate Minnesota agency, L. F. Gunberg, manager, and Baker agency (St. Paul), Arnold P. Baker, manager. The agency was formed in 1909 and has always represented Northwestern.

Union Central

Robert F. Richter has been appointed manager of a new agency at Phoenix and James B. Goldman manager at



James B. Goldman



Robert F. Richter

Nashville. Mr. Richter has been manager at Tucson, and was district manager there for New England Life before joining Union Central. During the past 10 years, Mr. Goldman has been at Nashville with Interstate L.A., State Farm Life and Massachusetts Mutual.

Connecticut General

W. Norman Walker, assistant manager at Portland, Me., has been appointed manager at Burlington, Vt., to succeed Raymond F. Briggs, who has retired after 15 years as manager and 17 years with Connecticut General. Mr. Walker joined the company in 1954. Also at Burlington, Charles F. Lyman is named district manager. E. Randall Haviland becomes district manager at Brattleboro, Vt.

Mutual Of New York

Anthony J. Lordi, manager at Flushing, N. Y., since 1956, has been appointed manager at Newark to succeed Curt M. Rosenberg, who has been promoted to the home office. Mr. Lordi joined Mutual in 1949 as an agent of the Myer agency at New York, where he became assistant manager in 1954. Succeeding Mr. Lordi at Flushing is Edward Franzese, manager of the downtown New York agency since March. He joined the Myer agency in 1946 as an agent and later was

named assistant manager and senior assistant manager.

Mr. Franzese's successor is Martin P. Bleiman, who joined Mutual in September as a managerial trainee. Before that he was with Prudential at Flushing.

North American Of Chicago

Paul P. Stewart has been appointed manager of a new agency at 2606 1st Avenue, San Diego.

Life Of North America

Wayne K. Brenengen has been appointed manager of the service office at Munich, Germany. He entered the life insurance business in 1954 with New York Life and more recently has been a consul with the State Department.

Joseph K. Hayes has been named group manager at Dallas. He has been

district group representative of Home Life of New York and before that was with Southwestern Life and Texas Blue Cross-Blue Shield.

Bankers Of Nebraska



Frederick Wright

general agent at Philadelphia for five years.

Equitable Society

Frank F. Broad, unit manager with the Woody agency at Chicago, has been appointed manager at Cleveland, succeeding Richard J. Smith, who has

relinquished his managerial duties because of ill health. Mr. Broad joined the Woody agency in 1949 and became unit manager in 1951. He is a CLU.

Kansas City Life



C. H. A. Redding

Charles H. A. Redding has been appointed general agent at Detroit for six counties in Michigan. He has been in life insurance 10 years, and prior to that was a detective for Scotland Yard for 16 years.

GOTHAM LIFE has appointed Ajax Life Associates, headed by Carl Scholl and Herman Klein, as general agent at New York, and the Becker agency, headed by Julius Becker, Louis Becker, Irving Meyers and Murray Garbo, as general agent in the Bronx.

Sell one of America's greatest A & S Markets

EXECUTIVES AND KEY PERSONNEL
THROUGH PROVIDENT
SALARY CONTINUANCE PLANS

- Conventional plans or one-year renewable term — all tailored to fit the sick leave program and other needs of the particular risk.
- Non-Cancellable, guaranteed renewal coverage, at level premium, likewise tailored to individual needs, with or without guaranteed right of conversion.
- Provident's exclusive 10/12 Plan, long term guaranteed benefits, at guaranteed cost for groups as small as five.

Ask us for details. Provident has the facilities and the know-how to design programs to fit the needs of your prospects.

BROKERAGE BUSINESS INVITED

PROVIDENT LIFE • ACCIDENT • SICKNESS
LIFE AND ACCIDENT HOSPITAL • SURGICAL • MEDICAL

Insurance Company

CHATTANOOGA

Home Office Changes

Columbian National Life

A. John Taylor has been appointed assistant manager of training. He has been with Prudential at the Canadian home office in Montreal, where he worked in the underwriting and agency departments, was supervisor of training and wrote a career presentation manual.

Equitable Of Iowa

John J. Whelan, superintendent of premium collection, retired Nov. 30 following 43 years with the company. Named to succeed him is Dale H. Pearson, formerly assistant superintendent of premium collection.

Mr. Whelan joined Equitable in 1916 and in 1941 was made manager of the

premium record section. In 1954 he was advanced to superintendent of premium collection.

Mr. Pearson joined the company in 1936. In 1950 he was transferred to the planning section of the company and in 1954 was named assistant to Mr. Whelan.

Shenandoah Life

Joseph W. Himes has been appointed assistant comptroller. He has been with the Internal Revenue Service at Roanoke for the past two years.

Paul Revere-Mass. Protective

Frank L. Harrington Jr., regional training supervisor for the southwest, has been appointed assistant vice-president. He joined the companies in 1954 as a group agent at Albuquerque and later was promoted to supervisor there. He is a CLU.



F. L. Harrington Jr.

Prudential

Wilfred E. Huelsenbeck, associate general manager of the comptroller's department, has been promoted to general manager, and John M. Georner, manager in the group department, becomes assistant personnel director.

Lafayette Life

Jacob W. Link will retire as president Feb. 1 and will be succeeded by M. V. Goken, presently agency vice-president.

Mr. Link has been with the company since 1913. A director since 1931, he



M. V. Goken



J. W. Link

became secretary in 1935, vice-president in 1949, and president in 1952.

Mr. Goken entered the business in 1939 and joined Lafayette Life as director of agencies in 1952. He was elected to the board in 1954 and was named agency vice-president in 1957.

AMERICAN HOSPITAL & LIFE has appointed John V. Borden claim manager. He has been in fire and casualty and life claims work for 27 years.

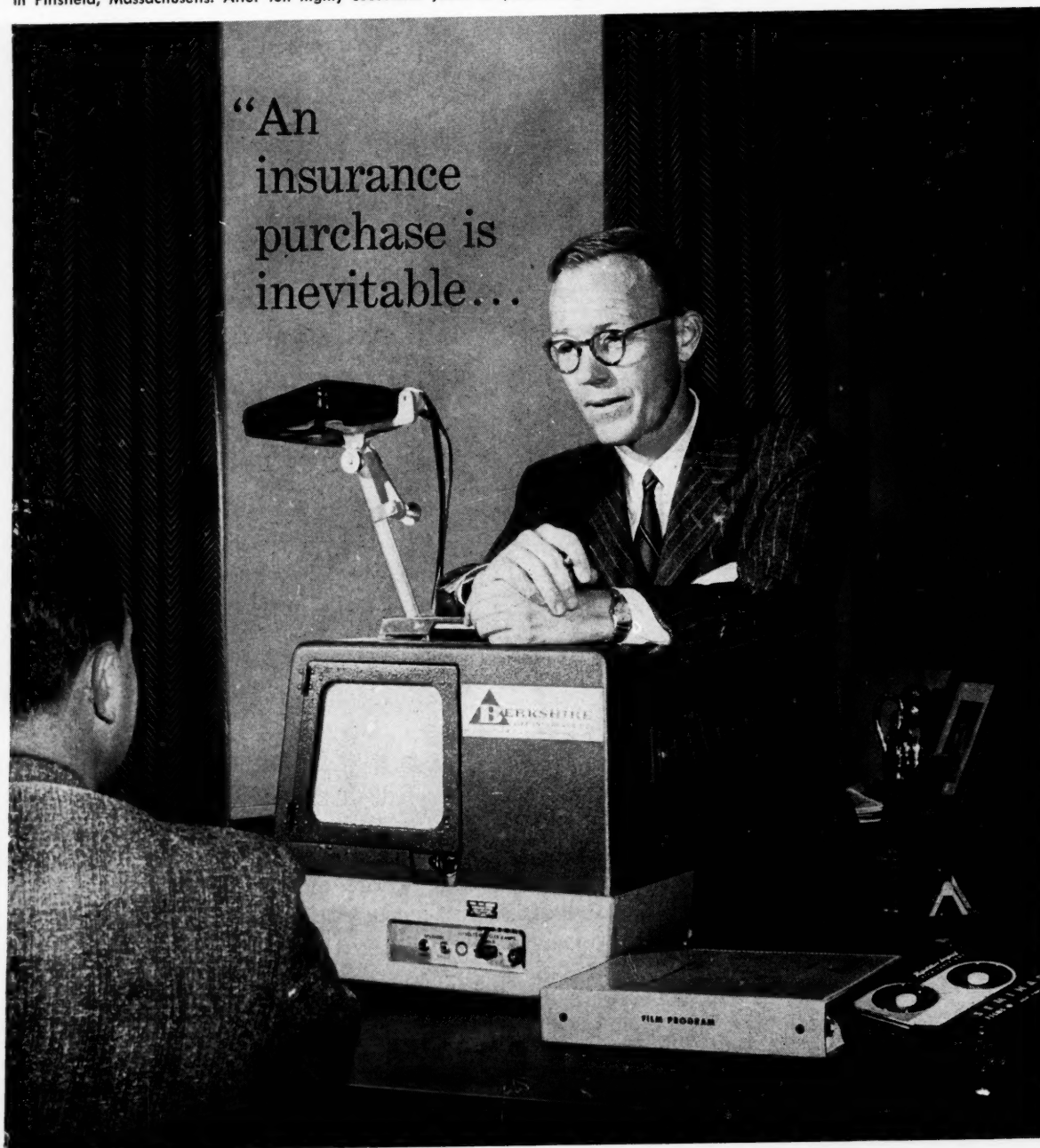
NATIONAL A&H of Philadelphia has appointed Lawrence Watson superintendent of the ordinary life and monthly and commercial underwriting departments.

LOMA Roster Distributed

LOMA's 1959-60 membership roster has been distributed to member companies. The 59-page directory lists companies alphabetically and geographically, names and company affiliations of the association's officers and directors, and members of 17 standing committees. Also included are the names of LOMA's executive and administrative staff.

Membership in the association totals 366 companies, an increase of 20 over last year. During the year, Life Insurance Co. of Alaska was admitted to membership, making it the first life company from the 49th state to join the association. Hawaiian Life Insurance Co. represents the 50th state.

Johnson & Higgins has appointed Richard M. Rohn as senior accounts executive. He was formerly group sales director of New England Mutual.



...for most families in America today. Sooner or later, every responsible family head must face up squarely to his life insurance responsibilities."

"That's a safe assumption, Mr. Talbot. But how much of this inevitable business do you think your agents will get?"

"They'll get their full share. As a result of their continuous exposure to Berkshire's modern training program, with such special aids as our exclusive 'Cinematic Learning,' every Agent...novice or seasoned man...can realize a constant increase in his own efficiency. Add the fact of Berkshire's sound management and its reputation for service to policyowners, and you will agree our Berkshire Agent has a better chance to close any business he goes after."

"Mr. Talbot, you certainly radiate a good deal of enthusiasm for Berkshire's organization and training program!"

"Why shouldn't I? Berkshire has helped me write my success story. I don't have to look any further than my own career, to express the fullest confidence that today Berkshire presents the greatest potential for personal growth in the industry."



Life, Accident & Sickness, Pension Plans, Annuities
George D. Covell, C.L.U., Agency Vice President
PITTSFIELD, MASS. • A MUTUAL COMPANY • 1851



United Benefit Life Agents Elect



James G. Brock, Utica, second from left, has been elected president of United Benefit Life's General Agents' Assn. He is shown with other officers elected at the group's annual convention held at the Omaha home office. The two-day convention was held this year as part of the company's 50th anniversary observance.

Other officers, from left, are William O. Brink, Detroit, 1st vice-president; Mr. Brock; George Richardson, Winston-Salem, 2nd vice-president; C. C. Elson, Des Moines, secretary, and F. T. Briggs, Pocatello, treasurer.

Gen. Am. Issues New Rules, Commendation

New minimum premium rules on combined billing cases and a certificate of commendation for policyholders have been adopted by General American Life.

Previously, combined billing rules provided that each policy must satisfy minimum premium requirement unless premiums were being paid as part of a Family Security program.

Under the new rule, minimum premium requirements will be waived if the father has in force with the company—or will have in force after a current purchase—\$5,000 of permanent life insurance, or if the aggregate monthly premiums for the family under combined billing total \$15 or more.

The certificate of commendation is awarded to policyholders who have effectively utilized the values of life insurance in an appropriate financial security program." Nominations for

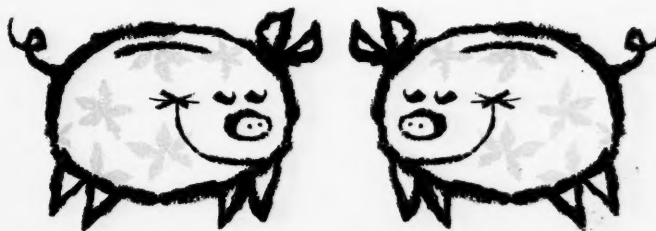
St. Louis Managers Elect O'Shea President

St. Louis General Agents & Managers Assn. has elected Gregory L. O'Shea, North American Life of Chicago, president. Other officers are Harley J. Simpson, Equitable Society, vice-president; Clarence H. Sheata, Metropolitan Life, secretary, and Woodruff W. Walker, General American, treasurer.

Addresses Omaha Agents

Alvin H. Goesser, director of human relations of World of Omaha, spoke at the December meeting of Omaha Assn. of Life Underwriters. He discussed "Human Relations in Selling."

the award are made by agents and decisions are made in the home office. Certificates are signed by President Frederic M. Peirce and are framed before presentation to policyholders.



Double Dollars for Prudent People

Prudent people always like our Double Disability rider.

It allows them a monthly disability income of \$20 per \$1,000 of face amount (DOUBLE the traditional amount) with a \$500 limit. The waiting period of only four months is appreciated, too.

And if a Term policyholder (yes, we even add it to Term) should become disabled we:

- (1) pay the premium; (2) pay a monthly income of \$20 per thousand; (3) change the policy to Ordinary Life at the end of the term; (4) continue to pay income *plus* waiving the increased premium; and (5) pay *full* face amount at death.

On many plans, we pay disability income not just to age 65, *but for life*—reducing to half the original amount at age 60.

Double Disability means double dollars for your clients. And satisfied clients mean more dollars for you.

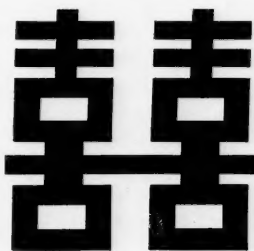
OCCIDENTAL LIFE

Insurance Company of California

Home Office: Los Angeles/W. B. Stannard, Vice President

(A MEMBER OF THE TRANSAMERICA INSURANCE GROUP)

We pay Lifetime Renewals...they last as long as you do!



DOUBLE JOY

INSURANCE WITHOUT EFFORT
LIFE AND CASUALTY'S CHECK-O-MATIC

- * Makes the monthly payment of insurance premiums completely automatic... so that you never lift a finger, move a pen or stick a stamp.

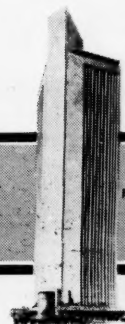
Check-O-Matic insures that those insurance premiums will be paid WHEN DUE...

IT'S AUTOMATIC

Life Insurance in Force
Over \$1,700,000,000

Life and Casualty
Insurance Company of Tennessee

HOME OFFICE
NASHVILLE



Ordinary Sales For Year To Hit Record \$50½ Billion, Up 6%

(CONTINUED FROM PAGE 1)
of \$9.9 billion, including life, annuity, and A&S payments.

Mr. Myers said that in the light of these gains, that the opportunities the life insurance business has to serve the American people are greater than ever before, but a positive attitude on the part of the business is necessary to meet these expanding opportunities.

While citing the facts that life insurance in force has grown by 145% in the last decade and that six out of seven families have one or more members owning life insurance, Mr. Myers cautioned his audience of top life insurance executives that "wide as this coverage is, it has little depth. It affords only the thinnest blanket of protection for American families."

He pointed out that one way of looking at the opportunities for life insurance in the years ahead is to realize that current protection is inadequate, and that the insuring public as a distinct entity is growing to unprecedented proportions.

"Our population is growing and with

it our economy; the American family is more strongly knit and the breadwinner more sensitive to his responsibilities than ever before," said Mr. Myers. "If we keep these positive facts firmly before us, if we refuse to be unduly fascinated by our problems, if we continue to be inspired by the principles of trust and service that have made life insurance the great institution it is today, I am convinced that the greatest days of life insurance lie ahead of us."

Favorable Image Is Vital

Reminding his audience of the importance of creating a favorable industry image, Mr. Myers noted that basic agreements on basic principles within the industry are necessary to mold a good public image of life insurance, and that this favorable industry image "is also important to us in attracting to our business the best minds and personalities among the rising generation and thus assure us the high calibre of leadership we shall

surely need in the times of change and growth ahead of us."

In the panel on life insurance and savings, James J. O'Leary, LIA director of research, who was panel chairman, pointed out that the life companies have made some \$46 billion of home mortgage loans since 1946. If it is assumed that the average loan is \$10,000, the life insurance business since 1946 has provided the financing for the purchase of 4.6 million homes by Americans.

President William A. Anderson of North American Life of Toronto said undue emphasis has been placed on life insurance as protection. He suggested more emphasis on the concept of permanent protection and emphasis on the view that all earned income is capital and that to the extent that it is not required for essential expenditures, it should be conserved, and that consequently discretionary spending should be confined to the amount which could be derived from the amortization of past savings—that is, the level which can be maintained independent of future earnings.

Banker Offers Suggestions

Roy L. Reiersen, vice-president and chief economist of Bankers Trust Co. of New York City, offered these suggestions for generating sufficient savings to permit "continued and vigorous growth while containing inflationary pressures."

1. Public policies designed to facilitate and encourage savings—by holding down government outlays, and by engendering confidence in the future purchasing power of the dollar.

2. The limited supply of savings must be allocated in a manner to promote economic growth. If the aim is to achieve a more rapid rate of growth in the economy, "we should probably put a smaller proportion of our limited savings into real estate mortgages and more into business investment."

3. The volume of bank credit "must be kept under strict control and be permitted to increase at an average rate no faster than the average rate of growth in the economy."

4. The managements of savings institutions have an obligation to promote flow of funds to their respective institutions "with all the vigor, energy and imagination at their command."

Schaaff Urges Three Moves

Charles H. Schaaff, executive vice-president of Massachusetts Mutual Life, urged that:

1. The life insurance business do a better job of convincing prospective buyers.

2. Unwise extension of social security be discouraged.

3. The fight for equitable treatment of insured pension plans in Washington be continued.

"We certainly need to revive the old-time religion for cash value life insurance, the salvation of sound savings," Mr. Schaaff said. "Now especially, we must convince people that in inflationary times, or in any and all times, men must make certain guaranteed minimum provisions against the hazards of dying and living, and that a permanent policy is the best investment for the purpose."

Slichter Urges Study

Donald C. Slichter, president of Northwestern Mutual Life, urged the life insurance business to make a careful study of its sales programs in order to expand personal savings through life insurance.

"Over the years life insurance has



Benjamin D. Salinger, Mutual Benefit Life, second from right, the outgoing president of New York City Life Managers Assn., presents engraved gavel to the association's president-elect, Gerald H. Young, Prudential, following the latter's election. Looking on are other newly elected officers, Bernard S. Bergen, Mutual Trust Life, secretary-treasurer, left, and Harold A. Lowenheim, Home Life of New York, vice-president.

Aid Assn. For Lutherans Has Two Changes

Aid Assn. for Lutherans has increased the excess interest rates on deposits and surplus accumulations for 1960.

The new interest rate on surplus accumulation is 3.75%. A minimum interest rate of 3.5% on other funds deposited with AAL is also announced.

Over \$6 million of surplus refunds are expected to be returned to members during 1959. It is estimated the 1960 figure will be even greater.

Also, effective Jan. 1, double indemnity and total permanent disability supplemental contracts issued before Jan. 1, 1936, will be declared paid up and no further premiums will be due.

Members affected by this new regulation who own the supplemental benefits and are still paying premiums will be paying less after Jan. 1, because of this decision.

Occidental Has Paid Out \$1 Billion

Occidental Life of California has passed the \$1 billion mark in benefits paid to its policyholders and beneficiaries. The company is currently paying out benefits at the rate of more than \$520,000 a day.

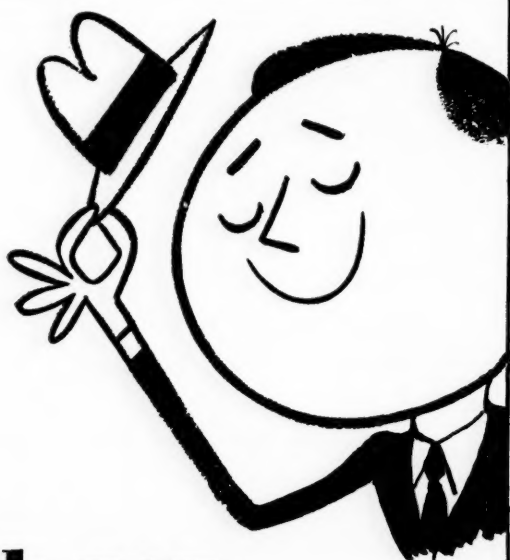
been a fundamental and expanding channel of saving by the American people," he said. "Our business has not only met the security needs of our citizens but it has also provided the means for financing much of the growth of the country."

In reviewing the factors which have affected the growth of life insurance savings in the past several years, he noted in particular the greatly improved rate of earnings on life insurance funds.

Sen. Bush Is Luncheon Speaker

Sen. Bush of Connecticut was the luncheon speaker the first day of the LIA meeting. The other first-day speaker in addition to those already listed was Philip F. Howerton, general agent of Connecticut Mutual Life at Charlotte, N. C.

The second day speakers, Devereux C. Josephs, former chairman of New York Life, and Henry C. Lodge Jr., U. S. representative to the United Nations, will be covered in next week's issue, as will the informal discussion on current problems which was a major feature of the day.



**Thank you
A. & H. Men...you broke
the record again!**

After comparing our 1959 Accident & Health volume
with former years, we got the "message".

Once again, American Casualty agents
broke all previous sales records
in the writing of A. & H. protection...
and the year is not yet over!

Our hats are off to you.



AMERICAN CASUALTY

60 Branch and Service Offices Coast to Coast

HOME OFFICE—READING, PENNSYLVANIA

SINCE 1902

Forand Bill Fails Needs Of Aged: Neal

Legislation along the lines of the Forand bill to provide hospital, surgical and nursing home care for social security beneficiaries fails to solve the only real national health care problem—that of helping to finance the medical care of the presently aged population who require such assistance, Robert R. Neal, general manager of the Health Insurance Assn. of America, told the LIAMA meeting recently held at Montreal.

Mr. Neal said that this kind of bill has political appeal and should emphasize the importance of finding solutions to the health care problems of the aged, lest such measures as the Forand bill be regarded as the only answer to the problem. This, Mr. Neal pointed out, represents a severe test for the entire voluntary insurance system.

Might Endanger Social Security

Mr. Neal said that adoption of such a measure might well jeopardize the entire social security system because of the mingling of health care with old age financing and because of the necessity to further increase social security taxes to an unreasonable level.

"The latest report of the Department of Health, Education and Welfare estimates that the first-year cost of this proposed legislation would be \$1,121 million. Previously, it had been estimated at less than \$1 billion. Our own estimates are that the first-year cost would be between \$2,074 and \$2,387 million," he stated.

Discusses Hearings' Importance

Mr. Neal also discussed the importance to the business of the hearings being conducted throughout the United States by the Senate labor subcommittee on the problems of the aged and the aging (the McNamara subcommittee); the White House conference on the aging, including the various state conferences being held prior to the main conference to be held in Washington in January, 1961; the recently enacted federal employees health insurance measure, and the O'Mahoney anti-trust subcommittee.

"Even a brief review of Washington developments such as these remarks should be convincing evidence that while voluntary insurance has made enormous strides forward, much remains to be done," he said. "I am convinced that the insurance business, which has thus far achieved so much for so many people in so short a period of years, has the wisdom, the vitality and the social statesmanship to overcome its problems and drive forward to future progress. But as one who daily observes in Washington the growing magnitude of those problems, I suggest to you that success will come only at the price of effort and determined action."

State Mutual Life has been licensed in Hawaii.

NALC Asks Changes In Income Tax

(CONTINUED FROM PAGE 1)

fecting the operation of the younger and smaller companies. The activities committees met with the board, the meeting being timed to coincide with that of National Assn. of Insurance Commissioners.

The board took a strong stand against proposals that would require or permit individuals to obtain coverage in group plans to establish retirement funds in the event the Keogh-Simpson bill is enacted.

Commenting on this matter, Don J. Willmon, United Bankers Life of Dallas, president of NALC, said that it was the taxation committee's view and also the board's that only individual contracts ought to be allowed the tax exclusion and exemptions provided in the pending legislation.

Sales At Army Camps

The board also took cognizance of commercial life insurance sales on military installations, following findings of the military sales committee that younger and smaller companies were barred from many posts in the

Northeastern Life Names Tarnoff In Agency Post

Norman H. Tarnoff has been appointed regional superintendent of agencies of Northeastern Life. He will be responsible for service to agencies in Manhattan, Brooklyn, Long Island and Westchester County.



N. H. Tarnoff

Prior to joining Northeastern Life, Mr. Tarnoff was general agent for State Mutual Life in White Plains, N. Y. He has been in insurance since 1935.

United States by "tedious technicalities." The board instructed the committee and the staff to investigate the possibility of congressional relief.

John Wilkins, Citizens National of Indianapolis, chairman of the executive committee, reported on plans for the 1960 convention, to be held in Oklahoma City in July.

memo to insurance
executives...

Is Group Insurance For You?

North American Reassurance Company is pleased to announce publication of "Is Group Insurance for You"—a new study by Wendell Milliman, well-known consultant on group insurance. If your company is interested in learning more about entry into this important field, or needs help in deciding whether or not to enlarge your present efforts—and if so, in what direction—we believe you will find this work of real value.

The author discusses the growing importance of group insurance, what it is, who writes it and who buys it. This 50 page study also deals with the marketing, administrative, underwriting and costing phases of group business, and outlines other important considerations faced by companies entering the group field.

Complimentary copies of "Is Group Insurance for You" are available to interested home office executives without cost or obligation. Simply attach your personal or business card to this advertisement and mail today to...



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Murray Hill 7-1870

Reinsurance Exclusively

LIFE • ACCIDENT & SICKNESS • GROUP

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*We are pleased to announce
that MURRAY WALDMAN
is now associated with us
as a GENERAL AGENT*



**His firm will be known as
THE WALDMAN AGENCY**

Suites 917-918, 25 West 43rd Street

Telephone Longacre 3-4940

Northeastern

LIFE INSURANCE COMPANY OF NEW YORK

17 East Prospect Avenue, Mt. Vernon, N. Y.

Thore Report Reviews LIA's Active Federal Legislative Year

(CONTINUED FROM PAGE 2)

other piece of social security legislation on the Senate floor," he said.

In a lengthy development of the issues involved in variable annuity litigation and Securities & Exchange Commission regulation, Mr. Thore stated that ultimately a number of basic issues must be resolved. For the time being at least, he said, it is clear that the SEC will have some jurisdiction over variable contracts of the nature considered by the U.S. Supreme Court in its recent decision.

"There remains the question of how this jurisdiction is to be exercised," Mr. Thore added. "Moreover, in the event different kinds of variable contracts are written in which the insurance company assumes part of the investment risk, the jurisdiction of the SEC might well disappear.

"At the state level, there is a further question of dual regulation. There are indications that the state securities

administrators will claim jurisdiction over variable contracts written by life insurance companies. There are similar indications that the state insurance departments may assert authority over mutual funds selling variable contracts which involve the assumption of mortality risks or mortality pooling.

"If conflicts arise between the two state agencies, they must eventually be settled, perhaps by giving one

agency or the other exclusive jurisdiction over such contracts. Moreover, these questions will be further complicated as new forms of variable contracts emerge, some with more and some with less insurance features than others. It seems quite certain that many of these various questions will not be resolved for several years to come."

O'Mahoney And Life Insurance

Mr. Thore reviewed the O'Mahoney committee hearings on aviation, ocean marine insurance, fire rating bureau, mail order advertising of insurance and state supervision of the business. He said it was difficult to predict the extent to which the subcommittee may interest itself in the life insurance business, noting that, "On a number of occasions in the past subcommittee officials have stated their intention to include life insurance in the study. References have been made to such matters as the size and economic power of life insurance companies, their investment practices, their possible influence over other industries through their investments, and the broad question of whether policyholders are receiving the maximum life insurance benefits at the lowest possible costs. More specific information concerning the involvement of the life insurance business must, however, await further developments."

Premiums On Mass. Mutual Pre-Authorized Check Plan Top \$1 Million In October

Massachusetts Mutual, in an experience report on its pre-authorized check plan, Triple M, noted that in October premiums paid on 37,500 policies under the plan exceeded \$1 million for the first time in a single month since the plan was introduced 2½ years ago. Triple M premiums paid during the month increased 50% over those of October, 1958.

Premiums on 17.6% of Massachusetts Mutual's \$750 billion volume of new individual business for the first nine months are being paid through the pre-authorized plan. Average face amount of policies written under the plan during the nine months was \$16,600, about \$3,000 more than the average for non-Triple M policies. The company also reported that it found persistency to be higher on Triple M policies than those not under the pre-authorized check plan.

Harmelin Heads A&S Class Plans

William Harmelin, New York agent, has been named chairman of the Life Underwriters' Training Council's committee to organize classes for its A&S course in New York City.

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YOUR AGENCY

YOUR FUTURE FORTUNE



Insurance division's 1960 fund raising campaign committee in behalf of the New York councils of Boy Scouts of America, under chairman William R. Cowie, Equitable Society, meets with scout leaders who explain local needs and accomplishments of the organization. From left, seated, are Wilson M. Underwood, New York Life; Division Co-Chairman William A. McCurdy, Equitable Society; Peter Guernsey, Marsh & McLennan; Alfred I. Jaffe, independent broker, and Walter D. Sheldon, America Fore Loyalty group. Standing, from left, are Dudley Unkefer, deputy scout executive; Aaron D. Duberstein, director of fund raising, New York councils, BSA; Mr. Cowie; Joseph J. Melly, Mutual of New York; William E. Hoose, Home Life; John J. O'Connor, Equitable Society, and G. Harry Jackson, independent broker. Active in the group but unable to attend was Earl Y. Duncanson, Connecticut General. Aim of drive is \$1,292,340.

Ohio Department Stands Firm On Rate Increases

No changes are expected in proposed rates for group credit life and A&S insurance in Ohio, Superintendent Stowell has stated. The department has just concluded hearing testimony during which 15 witnesses protested the rates.

The new law, which goes into effect Jan. 1, was enacted after complaints had been received stating that some firms overcharged borrowers for credit issued in connection with loans, financing of new cars, and other major items.

New Jersey Senate Plans To Investigate Blue Cross

TRENTON—The New Jersey senate has voted to create a six-member commission to investigate Blue Cross plan rate increases. The measure will lie over until the assembly returns in January. It provides for a committee of three senators and three assemblymen.

Sen. Dumont, prior to the vote, pointed out that Blue Cross rates have increased more than one-third in the last 18 months, and said he saw indications another increase would be requested "before long."

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Offers Guaranteed Insurability Option

Equitable Life of Iowa has announced a new guaranteed insurability option which is now available in most states in connection with new policies issued for a minimum of \$5,000. The option permits purchase of additional permanent insurance up to amount of basic policy or \$10,000, whichever is less, without evidence of insurability, on each of the policy anniversaries nearest the insured's 25th, 28th, 31st, 34th, 37th and 40th birthdays occurring after the date of issue.

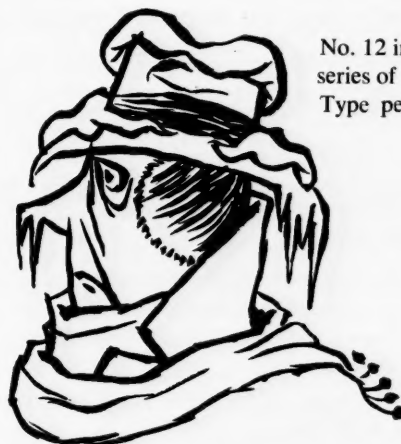
The option is available to standard risks, both male and female, at ages 0 to 37, inclusive. It will be considered under the regular non-medical limits at insurance ages 0 to 25, inclusive. At ages 26 to 37, the non-medical limit for a basic policy with the option is \$5,000, but term riders may be considered with the basic policy up to the regular non-medical limit. In all instances, application for the option will not affect the availability of term riders or benefits offered under regular policies.

Introduces Simplified Booklet-Type Policy

Standard Security Life of New York has introduced a booklet type policy, which is said by the company to be written in language easily understood by the average high school student. Also, the physical make-up of the contract is as new a departure as its wording. The format is a spiral-bound, loose leaf 6x9 inch booklet, with the certificate page containing information specific to the individual policyholder bonded in plastic. The type face used is highly readable, and open space is used effectively between words, lines and paragraphs.

The new policy, which is non-par term to age 75, includes accidental death benefits, triple benefits for common carrier accidental death, and disability waiver of premium. It is based on the new mortality table approved last year by National Assn. of Insurance Commissioners.

Standard Security sells its policies direct to the public by mail order advertising and direct mail. It employs no agents or brokers.



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AMERICAN REPUBLIC INSURANCE COMPANY of Des Moines, Iowa began writing life insurance in 1951 and now has \$43 million of life insurance in force, in addition to its annual accident and sickness premium volume of \$23 million. The Company has been using the services of a consulting actuary and at present has no actuary on its staff.

Besides several years' actual experience in the field, the man desired should have passed some examinations and should be approaching at least Associateship in the Society with a desire to complete the work for a Fellowship. This is an unequalled opportunity for an actuary to build his own department while experiencing the excitement of growing with a small life company, but a company which is at the same time financially sound with above-average resources as a result of a highly successful accident and sickness business.

Preferred is a man 30 years of age or younger. The position offers outstanding salary potential and excellent employee benefits in addition to the freedom to study and to attend Society and other meetings.

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One of the largest national life insurance companies domiciled in Chicago has opening on home office staff. Duties include supervision of education and training activities, creation of proposals and sales material, aiding in sales campaigns and conventions. Personal production and training essential. Knowledge of advanced underwriting preferred. Excellent opportunity initially with unlimited growth potential. Salary commensurate with responsibility. If interested give complete resume of your background and experience. Inquiries will be held in strictest confidence. Our staff knows of this ad. Write Box K-87, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

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Health Council Honors Nine Former Chairmen

The nine former chairmen of Health Insurance Council were honored for "furthering the effectiveness of voluntary health insurance," during the fall luncheon at the Biltmore Hotel, New York.

Inscribed gavels and citations were presented to Ambrose B. Kelly, Associated Factory Mutual Fire; Wendell Milliman, Milliman & Robertson, Seattle; Ralph J. Walker, Pacific Mutual Life; J. Henry Smith, Equitable Society; John W. Joanis, Hardware Mutual Casualty; Ralph T. Heller, Prudential; John H. Miller, Monarch Life; Howard A. Moreen, Aetna Life, and Morton D. Miller, Equitable Society.

Earlier in the day during the council's fall meeting, Chairman E. J. Faulkner, Woodmen Accident & Life, gave the welcoming address in which he discussed the vitality and importance of the council's program.

Hear Committee Reports

Raymond F. Killion, Metropolitan, and chairman of the council's hospital relations committee, reported on advances in establishing liaison with American Hospital Assn. and other hospital groups.

Dr. J. Grant Irving, Aetna Life, chairman of the council's medical relations committee, said there continues to be great advances in building better relations between the health insurance business and the medical and hospital professions.

William J. McBurney, Prudential, chairman of the uniform forms committee, said there was a need at the grass roots level to create better awareness not only among doctors but among companies of the existence of the simplified claim forms developed by the council and the need to adopt them.

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Tells St. Louis GAs How To Select Manager

Selection of general agents and how they should function was discussed by Darrell D. Eichoff, field training executive assistant of Metropolitan Life at the November meeting of St. Louis General Agents & Managers Assn.

Prefacing the film portion of the subject, Mr. Eichoff said that strangely enough, the life industry has never agreed upon sound methods for the selection and development of managers. "The selection of a general agent or agency manager was largely based on luck," he declared. No one has ever put down on paper what the qualifications of a district manager should be.

Primarily, the district manager must know how to delegate work and see that it is properly performed, he said. He must be able to select and develop agents and to provide them with a sound sales program, and of course also be able to select, train and develop other office personnel. Motivation of agents is a top essential. Another vital quality is the development and maintenance of good public relations.

It is necessary to keep a constant flow of new business going to the home office, and to attain this there is the need for proper appraisal and expansion of markets. Shifting markets must be watched and analyzed to ascertain their trade possibilities. The district manager must keep abreast of competition.

If the district manager has done a proper job, he is in a position to direct the individual sales program so as to make the most of the district's business possibilities in the varied population and market potentials it presents. If he keeps in touch with the sales accomplishments of each agent, he can properly appraise each individually, knowing the strength and weakness of each man.

"He can't delegate to anyone his responsibility for the final selection of new men," Mr. Eichoff stressed.

Rhodes Sees Victory In Effort To Displace Old Line Life Officers

The E. C. Rhodes group which is seeking control of Old Line Life of Milwaukee has issued a statement of confidence in its campaign to remove the present management. Mr. Rhodes of Aberdeen, S. D., said: "Our acquisition of stock has been about twice as much as our investment bankers advised us to expect." His group has offered to buy Old Line Life at \$70 a share through Dec. 8.

Mr. Rhodes contends his group owned or controlled 30,000 of the 100,000 outstanding shares before the offer was made. He is seeking at least 15,000 additional shares.

Mr. Rhodes, who says he has been a stockholder for 30 years, has attacked the management for what he contends is a low growth rate in comparison with other companies. The management has denied the charges.

Bankers Life, Neb., Completes Successful Lives Campaign

The recently concluded lives campaign of Bankers Life of Nebraska produced a total of 2,800 lives surpassing the previous high set last year. The 49 participating agencies were led by Fresno, whose 17 representatives contributed 180 lives. Emrie Pinney, San Jose, won individual production honors with 43 lives. The final month of the two-month campaign produced an increase in written business of more than 37% over October of last year.

Commissioners Make Slow, Steady Progress At Semi-Annual Meeting In Miami Beach

(CONTINUED FROM PAGE 1)

distributed and publicized in advance, and it contained nothing to cause the industry to rise up in large numbers. Yet 1,300 persons registered for the meeting. The "dullness" of what happened in the meeting rooms at the Montainebleau Hotel was presumably overcome by other attractions in Miami Beach.

Following the presentation of a proposed resolution on regulation of contracts in which the mortality risk is pooled (reported last week), the subcommittee on variable annuities and pension plan funding adopted a resolution recommending that the individual states scrutinize contracts providing for the consideration of life contingencies and pooling of mortality to determine whether within the meaning of the applicable law an insurance business is being done, and if that is determined, take steps to prevent the conduct of such business without license and appropriate supervision. Action of the various departments is to be reported to the subcommittee by May 1, 1960, for the purpose of a survey report.

NAIC Proposes Resolution

National Assn. of Life Underwriters, through Albert C. Adams, past president and chairman of the social security committee, made a presentation at the meeting of the executive committee which turned out to be a resolution for adoption by NAIC requesting Congress to delete from the social security act all insurance terminology, change the name of the social security program to describe its true nature and purpose, and incorporate in the act a definition that it is not insurance.

Mr. Adams read a seven-page statement as an introduction to the resolution. In executive session the executive committee decided unanimously to take no action.

The credit life and credit A&S model legislation subcommittee came out with a report calling for further study, but upon urging from some of those in the industry, the parent committee in executive session adopted a resolution recommending that a rate for credit life or credit A&S producing a loss ratio of less than 50% should be considered excessive. It appears that this is a satisfactory solution. The companies opposing a bench mark and those favoring adoption of some definite standard both indicated this resolution would be acceptable.

The commissioners were in the position of having to cope with a problem which involved rate regulation, but within a field in which rate regu-

lation does not exist. The resolution adopted keeps the states out of the rate regulatory field in the A&S business but sets up standards in the credit field which should make this less of a touchy subject.

The spark to action was supplied first by Edward A. Dunbar of Beneficial Finance, who pointed out that the commissioners have been studying the idea of a bench mark since 1957; they have held meetings all over the U.S., and finally have succeeded in obtaining general agreement to a 50% mortality cost as an acceptable standard. The 50% formula represents the thinking of the majority of companies, he said. Some companies want the continuation of the present situation, but Mr. Dunbar declared it seems "there could have been action by now."

Warns Against Delay

The model bill has been passed in more than 20 states, and if the commissioners wait another six months, he warned, the whole plan of a bench mark may become academic—rules or formulas will be established state by state, and it will be too late to change the helter skelter system that will exist.

Expressing disappointment that the subcommittee report indicated nothing was to happen, Mr. Dunbar drew scattered applause as he sat down.

B. M. Anderson of Connecticut General Life said he had thought the subcommittee was near agreement. The report, he observed, did not do justice to the work that has been done. The commissioners have brought the business together. There is agreement on a 50% loss ratio formula, he declared.

"It does seem a pity that the subcommittee can't come out with some definitive agreement on a bench mark," Mr. Anderson said. He added he can understand why there would be delay on the wording of amendments to the model bill, but the matter of real concern is the cost of credit life insurance, and that question should be resolved. It is generally felt the charges for credit life are too high, he said, and the industry is prepared to come down. Mr. Anderson also drew some applause when he said he hoped for action.

Defends Subcommittee

Gerber of Illinois, who has headed the subcommittee through the latter stages, said if his group could be charged with any failure of action it was caused by trying to accommodate all segments of the industry. There has been reluctance to lay down the law, but the time may have come when it is necessary to do what is best even though it may not be pleasant for all. The commissioners may have to accept the full responsibility and make a forthright decision, he declared.

Larson of Florida, one of the veteran grapplers with this issue, commented that in some quarters there is a desire to maintain a commission rate that is sometimes more than 50% of the premium, with a loss ratio of 19 to 39%. The subcommittee should get together with the parent body, he said, meaning right away, and come out with a bench mark whether everybody in industry likes it or not.

Gold of North Carolina offered the suggestion that the commissioners could set up adequate bench marks

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What about unearned discount on policy loans? Is accelerated first year depreciation available and —if so—is it worthwhile?

How can expensive real estate appraisals be avoided?

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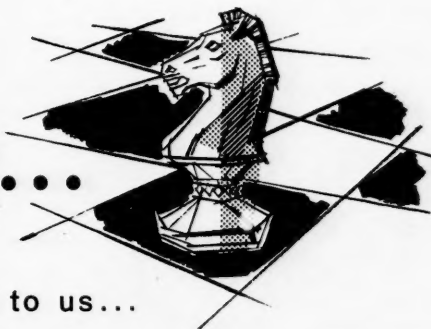
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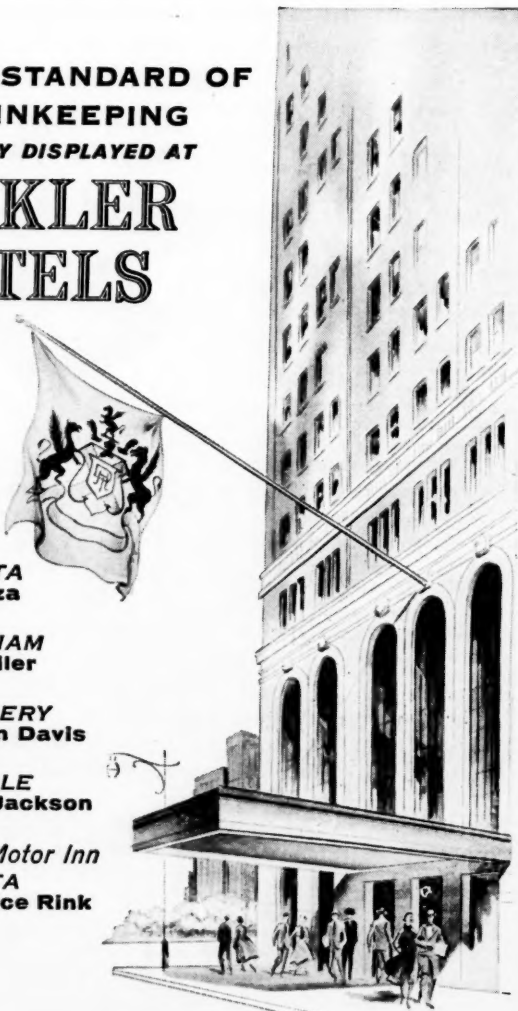
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from the language of the amended bill. William J. Walsh, general counsel of Consumer Credit Insurance Assn., representing 70 companies, asserted if the commissioners could have done something, it would have been done. He warned that the welfare of the companies has to be considered as well as that of the public; failure to do that would be asking the federal government to come in. The companies can't be hamstrung competitively, he said.

A 50% loss ratio won't work, Mr. Walsh declared. Who can define loss ratio? "We want to live," he said. CCIA companies are willing to compromise. They fought for seven years for some regulation, but just to say something has to be done to the detriment of the companies writing the business is shocking, he added. Mr. Walsh asked the commissioners: "Don't hurt us and don't hurt the public."

Has Been On Both Sides

John Binning, representing three small credit insurers, commented that he has been on both sides of the table in this matter, as a commissioner and company man. His companies would like to stay in business, but too restrictive a bench mark is their death warrant. Maybe the commissioners and industry are closer to an area of agreement now than before, but the 50% formula is new and he said he wanted time to let all parties be heard on it. There is still a long way to go to get the words to define the bench mark, he said, and a difference in interpretation can mean life or death to his companies.

Mr. Gerber, addressing himself to Mr. Binning, pointed out that the subcommittee has held meetings "all over" and the matter of a bench mark was discussed. He said he thought all segments of the industry had an opportunity to present their views. As far as a chance for expression is concerned, he said, he could not see that more meetings would offer additional enlightenment. No matter what is done, the public interest is paramount and industry will have to give way to it. Meetings mean nothing unless everyone comes to them with that idea, Mr. Gerber added.

He said he didn't think the states have to apologize for the record in the credit field. Absence of a bench mark at this point does not mean nothing has happened. More than 20 states have a model law, and most of the problems have been cleared up.

The touchy point of the definition of non-cancellable and guaranteed renewable insurance finally was at-

tended to without causing much of a stir during the Miami Beach meeting of NAIC. The subcommittee on this subject heard an industry report which was delivered by John Hanna of HIA for HIA and ALC and LIA, with the concurrence of the New England non-can companies. The proposed definition was adopted without change. It reads:

"The terms 'non-cancellable' or 'non-cancellable and guaranteed renewable' may be used only in a policy which the insured has the right to continue in force by the timely payment of premiums set forth in the policy (1) until at least age 50, or (2) in the case of a policy issued after age 44, for at least five years from its date of issue, during which period the insurer has no right to make unilaterally any change in any provision of the policy while the policy is in force."

"Except as provided above, the term 'guaranteed renewable' may be used only in a policy which the insured has the right to continue in force by the timely payment of premiums (1) until at least age 50, or (2) in the case of a policy issued after age 44, for at least five years from its date of issue, during which period the insurer has no right to make unilaterally any change in any provision of the policy while the policy is in force, except that the insurer may make changes in premium rates by classes."

"The foregoing limitation on use of the term 'non-cancellable' shall also apply to any synonymous term such as 'not cancellable' and the limitation on use of the term 'guaranteed renewable' shall apply to any synonymous term such as 'guaranteed continuous'."

"Nothing herein contained is intended to restrict the development of policies having other guarantees of renewability, or to prevent the accurate description of their terms of renewability or the classification of such policies as guaranteed renewable or non-cancellable for any period during which they may actually be such provided the terms used to describe them in policy contracts and advertising are not such as may readily be confused with the above terms."

The industry report, pertinent parts of which were made part of the subcommittee report, explained that the minimum requirements were prepared in an effort to make the language conform as closely as possible with various suggestions of the past and to be consistent with existing NAIC language, with state rulings, letters and existing law.

Having accomplished the achievement of a non-can definition, the subcommittee had itself discharged.

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Recently, members of Philadelphia agencies and home office employees of Provident Mutual Life voted on 48 paintings that were exhibited in the company auditorium. Six final selections, for use in the company calendar, include the works of such noted artists as John Pike, Glenn MacNutt and Lucille Hobbie. Mr. Pike's "Forest Trails," shown above, was selected to illustrate the months of January and February. He has three other water colors elsewhere in the calendar.

Equitable Dividends Will Total \$91 Million In 1960

Equitable Society has approved distribution of some \$91 million in 1960 dividend payments to individual policyholders, an increase of \$6,250,000 over the amount payable in 1959. In 1960, Equitable will pay 3½% interest on dividends and policy proceeds left on deposit. The company raised the discount rate on premiums paid in advance from 3% to 3½%, effective Nov. 23.

Pan-American Life Forms Top Management Committee

Pan-American Life has created a senior management committee which will be responsible for formulating over-all company policy and objectives. Chairman of the committee is John Y. Ruddock, executive vice-president.

Other committee members include, Kenneth D. Hamer, senior vice-president; G. Frank Purvis Jr., vice-president, investment and legal; J. B. Donnelly, vice-president, administrative; Fritz G. Lindley, vice-president, Latin American; R. L. Hindermann, vice-president, public relations and personnel; W. B. Schmitz, vice-president, employer-employee benefits; Edward F. Holtzman, senior actuary, and Paul Light and Bernard S. Lyon, regional agency vice-presidents.

Milwaukee Agents Meet

Milwaukee Assn. of Life Underwriters heard Frank G. McNamara, Old Line Life, Waukesha, Wis., and trustee of NALU at the November meeting. He spoke on "The Evolution of Life Insurance."

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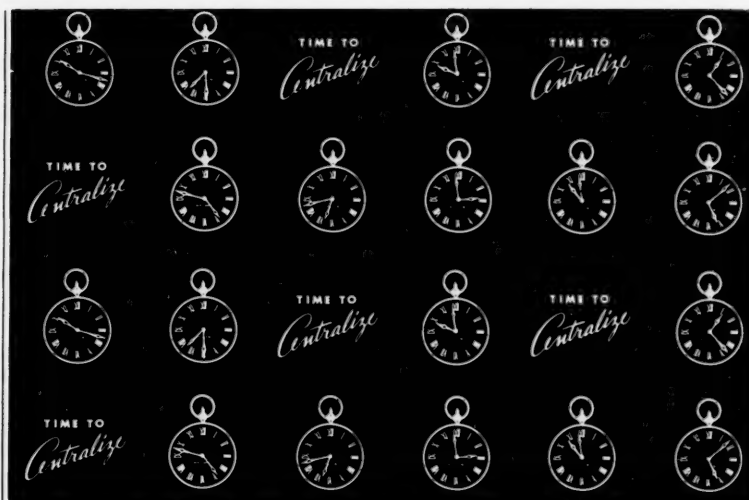
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